The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, SEPTEMBER 14, 1933



FIRE ASSOCIATION OF PHILADELPHIA

401 Walnut Street-Philadelphia

(Established 1817)

FINANCIAL STATEMENT Based on Market Values June 30, 1933

ASSETS

 Bonds and Stocks
 \$11,484,574.00

 Mortgage Loans
 2,514,611.75

 Real Estate
 401,432.98

 Cash in Banks and Office
 986,084.43

 Premiums in Course of Collection
 1,217,050.00

 Other Assets
 293,573.25

LIABILITIES

Surplus 4,538,623.59

Surplus to Policyholders...\$ 6,538,623.59

Total Admitted Assets. .\$16,897,326.41

\$16,897,326.41

OFFICERS

OTHO E. LANE, President

JAMES G. MACONACHY, Vice President

WM. S. Evans, Vice President

J. VICTOR HERD, Secretary

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Charles B. Adamson Chemist

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New York City

NEW YORK :: CHICAGO :: SAN FRANCISCO :: DALLAS :: ATLANTA :: TORONTO

Fire and Marine Insurance in All Branches



WHAT'S GOING TO HAPPEN NOW?

The crystal gazer is willing to take your money for the answer. But we'd hate to depend upon his brand of hocus-pocus to determine our policies, insurance or otherwise. With new codes, new schemes, new hours, new wages, the manufacturer is off to a new start. Can insurance help him?

That's what insurance agents and brokers are for. The uncertainties as to what would happen as the ultimate result of an accident, fire or robbery need cause the manufacturer no worry. Adequate insurance protection makes certain that his interests will be protected; that his assets will not be impaired. It will give him a timely asset, freedom from worry.

What should be sold to the manufacturer, and why, and how? Those are questions which are of vital interest to the insurance fraternity. They

are questions to which we give some of the answers in the September issue of The Employers' Pioneer. In the field of

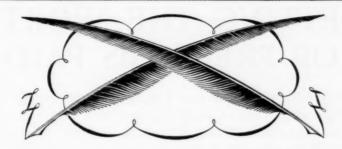
automobile insurance, for example, we believe hired car coverage, deductible property damage, more automobiles than operators, are angles worthy of discussion along with the usual more familiar phases. In a like manner concurrency of policies is important in considering fire insurance. What's going to happen now? A great many things might happen which are beyond the control of the average buyer of insurance. Fires, accidents, burglaries - they never occur on schedule. But, when something does happen, whether he has to stand a good sized loss depends to no small extent on the activities of his insurance agent or broker. These activities should be such that the average agent or broker can use to good advantage all the suggestions, all the help he can get. Perhaps the current number of the Employers' Pioneer would help you.

We will gladly send you a copy. There is no obligation on your part. Write the Publicity Dept., 110 Milk Street, Boston.

The Employers' Group The Employers' Liability Assurance Corp. Ltd. • The Employers'

Fire Insurance Co. · American Employers' Insurance Co. 110 Milk Street, Boston

Stephen Tillinghast Receives a Letter



STEPHEN TILLINGHAST'S chest might have been seen to expand a little one day in July, 1820, when he got a letter from Hartford.

"Agents of insurance companies," it said, "have generally no other power and discretion than simply to deliver instruments as drawn by the officers of the company. The Ætna agents are quite differently intrusted and empowered, and the highest confidence is reposed in their integrity."

It is pardonable if this first of Ætna agents in Providence, R. I., saw no more than an expression of implied confidence in his ability, but being a man of intelligence, as the letter plainly said, he must also have seen that here was something new under the insurance sun. Until now an agent got no commission for securing business; his compensation consisted merely of a small fee, paid by the assured, for making the survey, another small fee of fifty cents for filling in the policy, and finally a fee for assisting in the adjustment of a loss. Clearly, the new plan had the makings of insurance history—if it worked.

But the officers and directors of the young company were interested not so much in making insurance history as in a better way to make money. Calamity-howlers busied themselves pointing out the dangers of this bold policy, dangers which the officials were well aware of. They knew as well as anyone else that success depended upon finding enough agents who could be trusted to transact business with the same judgment and discretion they themselves would exercise. The difference lay in the fact that the prophets of doom thought such men could not be found, whereas the officers thought they could.

The answer is the American Agency System. Today, supported by more than 100,000 agents, every stock fire insurance company in the United States conducts its business by the same system in all essentials that was greeted with doleful prophecies of disaster 113 years ago. To its agents, the Ætna unqualifiedly ascribes its position in the insurance world. It is as whole-heartedly the American Agency System's faithful supporter now as when Stephen Tillinghast received his letter.

THE ÆTNA FIRE GROUP

HARTFORD, CONNECTICUT

ÆTNA INSURANCE COMPANY - THE WORLD FIRE AND MARINE INSURANCE CO. THE CENTURY INDEMNITY COMPANY - PIEDMONT FIRE INSURANCE COMPANY

NEW YORK

CHICAGO

SAN FRANCISCO

CHARLOTTE, N. C.

An Editorial

From the New York Journal of Commerce

GETTING THE WORTH OF PREMIUMS PAID

As commodity prices rise, much more insurance will be bought. Some of it will be bought without proper care, as purchasers may learn later with regret. The fact that insurance is an intangible thing, which cannot be tested by the senses, seems to discourage people from exercising ordinary judgment in its purchase. The man who would examine furniture or clothing carefully and consider the standing of the merchant who offers it, often will place an order for insurance with one about whose qualifications for handling it he knows little, who in turn will secure it from companies about which he knows still less. It is not surprising that disappointment sometimes results. The blame rests primarily on the purchaser, as it would if he were led astray by following the legal advice of an ex-constable when that of a reputable lawyer might have been secured.

When one is honest and is willing to pay the standard price for the best insurance, he is entitled to thoroughly competent service and a contract of indemnity issued by a company, able to meet its obligations today and with every prospect of being able to do so in the future, whose officers and representatives honestly seek to give every policyholder not only a square deal but the benefit of a doubt. Whether he gets what his premium has paid for depends largely upon his own judgment in selecting the person with whom he does business.

In all cities there are insurance brokers and agents and in all towns there are agents who have built solid reputations. In dealing with them one reduces chances to a minimum. If he sees fit to deal with one who may not take his order correctly, who may not check policies carefully before they are delivered, who may not know what clauses and permits are necessary to give the assured full protection, or who knows little about companies or deals with inferior ones because it is to his personal advantage, the assured takes a good many chances and if some of them go against him, he may blame his own carelessness.

Year In and Year Out You'll Do Well with the HARTFORD ACCIDENT AND INDEMNITY COMPANY



The National Underwriter

Thirty-Seventh Year-No. 37

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, SEPTEMBER 14, 1933

\$4.00 Per Year, 20 Cents a Copy

N.F.P.A. Ponders Watchman Issue

Has Been Trying to Get Washington to Answer Certain **Ouestions**

CONCLUSIONS ARE GIVEN

Benjamin Richards Advises Employers to Have Watchmen Excluded from Provisions of NRA Codes

The manufacturing risks and special hazards committee of the National Fire Protection Association through its chairman, Benjamin Richards, of Chicago, has been in correspondence with the national recovery administration in regard to the subject of watchman service under the NRA code. Mr. Richards is manager of the Underwriters Service Association.

Under date of Aug. 9 THE NATIONAL Underwriter published a statement from Washington to the effect that the national recovery administration stated that the employment of additional watchmen or guards is optional with employers and that the propositions of the code do not relieve business concerns of any provisions of insurance contracts. They also stated that under the blanket code also stated that under the blanket code in effect watchmen were given a 44 hour week and that the question of whether assureds employ additional watchmen as the result of reduction of hours is up to employers, the administration taking no position in the matter. It also stated that there were no exceptions with respect to the watchmen in any code.

The committee chairman Aug. 21 wrote to the NRA calling attention to the discrepancy in the number of hours required for the watchman as reported and he also presented certain other spe-cific questions on which advices were

needed as follows:

Questions Are Asked

To protect labor against loss by fire can watchman service be made an exception, being maintained as at present, this service being interpreted as special, necessary maintenance service

2. Can watchmen be retained with working hours exceeding 44 hours a week if compensation is paid for the

overtime?

3. Watchman service is maintained under a contract with the insurance carriers which calls for "standard" watch service. This service calls for hourly rounds by at least one man, his hours of work not being limited. Is it necessary under the sary under the code to make a change where such contract exists?

On Aug. 25 the committee received a letter from Lester G. Wilson, executive secretary of the blue eagle division of the NRA, stating that the provisions for watchmen in manufacturing plants are that their maximum work week shall consist of 40 hours and that their mini-(CONTINUED ON PAGE 11)

Interest in What Officials Will Do With Blacklists

COURSE OF ACTION UNKNOWN

Insurance People Speculate as to Whether Commissioners Will Cancel Licenses of Delinquent Agents

Although insurance departments of several states have called upon compa-nies to furnish lists of brokers and agents delinquent in payment of their balances over 90 days as of Oct. 1, none of the commissioners has given any indication of what action, if any, he expects to take when this information is

The company executives, at whose instance the National Convention of Insurance Commissioners adopted the resolution urging the individual commissioners to call for lists of delinquent agents and brokers, desired the resolution also to memorialize the individual tion also to memorialize the individual commissioners to cancel the licenses of those whose names appeared on the blacklist. The commissioners, however, refused to incorporate that suggestion in

It is doubtful if any of the commissioners have made up their minds just what they will do with these lists. Probably they want to find out, in the first place, just how many brokers and agents are listed. If there are comparatively few delinquents, then action will be easier to take than if the list is lengthy.

The commissioners who are demand-ing this information of companies as of Oct. 1 are also requiring that such a list be filed quarterly thereafter. One pos-sibility is that the commissioners may not take action at the time the first list is returned but may proceed to cancel licenses if an agent or broker who ap-pears on the first list is also entered on the second memorandum. After a few quarterly reports are made, the insur-ance department will have a pretty good idea of the identity of the chronic delinquents.

NO DECISION IN WASHINGTON

OLYMPIA, WASH., Sept. 13.-The Washington department has not yet devia sington department has not yet de-cided whether it will call on fire and cas-ualty companies operating in the state for lists of their delinquent Washington agents and brokers, and the amount of premiums more than 90 days past due.

President Proclaims Fire Prevention Week Oct. 8-14

In a proclamation designating Oct. 8-14 as Fire Prevention Week, a time "set aside for the purpose of informing the public of the dangers of fire to life and property," President Roosevelt points out that "of late progress, has the public of the dangers of fire to life and property," President Roosevelt points out that "of late, progress has been made in reducing the nation's fire loss." He holds that this fact should encourage continuous vigilance and alertness so necessary to decrease the hazards of fire. The President further says that "to prevent our enormous waste by fire, the cooperation of all citizens is requested." He requests

Hope of Fall Pickup Seems to Depend Upon Inflation

DULLNESS NOW PREVAILING

Letdown in Activity After Spurt in Summer and Spring Continues in September

Just what is around the corner this season for fire and casualty companies few executives profess to know. is a critical time for the new deal and prosperity. The activity which blessed industries in the spring and carried through June and July died off somewhat in August and September so far has been a disappointment. This seems to indicate that much of the earlier activity was due to buying for speculation or protection against rising prices and to meet the increased cost of production and therefore a good deal of what was produced did not reach the channels of trade but was merely stored in warehouses.

The fire companies felt the increased activity which lasted through July. Lines were increased and there was some spurt in use and occupancy sales. During August, however, dullness set in again and there has been little improvement so far in September. For some reason, many of the casualty companies, how-ever, had a better experience in August.

Hope for a re-renewal of business activity this fall, which would bring an increase to insurance, seems to run in the direction of inflation. At the meeting of the American Bankers Associa-tion in Chicago last week, most of the bankers privately expressed the opinion that inflation would come, in a more definite form, probably some time in October. The bankers picked various dates, depending on their expectation of when inflation would become necessary because of government financing that is to be done. With inflation, an increase in industrial activity would be certain and an increase in premiums would follow. The big question is whether the momentum so generated would bring lasting improvement or whether there would be another period of feverish ac-

Fire and casualty people are still hopeful but they do not feel business in general or insurance is out of the woods

by any means as yet.

Riot Cover in Demand

NEW YORK, Sept. 13.-Companies writing riot and civil commotion coverage report an unusual demand for the indemnity just now, evidencing that large industrial labor employers are apprehensive over the outlook. Tobacco interests in the storage centers are also offering lines, fearing the threatened activity of night-tiday. tivity of night-riders.

all the organizations, groups and in-dividuals interested in fire prevention to take the leadership in instructing the public in the simple precautionary measures advocated as fire prevention

Ross McCain Is **Aetna Fire Head**

President Ralph B. Ives Is Chosen Chairman of the Board

BOTH ARE WIDELY KNOWN

New Chief Got Early Training in Arkansas Where He Was State Agent

Interest attaches to the announcement that R. B. Ives, president of the Aetna Fire, the World Fire & Marine and Century Indemnity, becomes chairman of the board and Vice-President W. R. McCain is made president of the fleet. Mr. Ives has been in poor health for some months. Last winter he took a six weeks trip to the West Indies seeking to gain strength. He returned and then on July 1 went on a leave of absence for two months, returning Sept. 1. On getting back to the office Mr. Ives found that the demands and responsibilities were so great and onerous that he would have to seek surcease from them. Therefore he voluntarily retired as president to take the position of chairman of the board where he will be on hand for con-sultation and more general work.

McCain Was Natural Successor

Mr. McCain was the natural man to succeed him. He is well known to the fraternity. He got his early training in Arkansas. He is a native of Monticello, Ark., having been born there Oct. 15, 1878. He was educated at Washington & Lee University and the University of Arkansas, getting the M. A. degree. He became state agent for the Aetna on April 1, 1911. He was called to the home office in 1919 as assistant secretary. He became secretary in 1923, vice-president and secretary in 1927 and vice-president of the Aetna group in 1930. In addition of the Aetha group in 1930. In addition to the three companies at Hartford he is vice-president of the Piedmont Fire of Charlotte, N. C., which the Aetha controls. He was made a director of the Aetha, World Fire & Marine and Century Indemnity in 1929. Mr. McCain has been active in the organized work of fire insurance.

Mr. Ives was 60 years old last Jan-uary, having been born in Hartford, Jan. 27, 1873. He entered the employ of the Aetna in 1905 and has been continu-ously in its service. He went into the field, then became assistant secretary. He was sent to take charge of the western department in Chicago in 1915. He was recalled to the home office as vicepresident in 1919 and was elected president in January. 1923. He, too, has been very active in the organizations and the general welfare of the business. He is a strenuous worker and has always been on his toes when it comes to work.

(CONTINUED ON PAGE 11)

Hartley Elected President of Canadian Superintendents

CONSIDER CHANGES IN LAW

Committee Appointed to Consider Marine-Casualty Question-Oppose Valued Forms, Automatic Cancellation

The Association of Insurance Superintendents of Canada elected R. P. Hartley president at its annual meeting in Toronto last week. Mr. Hartley, who is deputy attorney-general of New Brunswick, succeeds Charles Heath, Manitoba superintendent, H. R. Stew-art, Prince Edward Island superintendent of insurance, was elected vice-president, and R. Leighton Foster, On-tario superintendent, was reelected sec-

The convention decided that the comintee on fire insurance should make a thorough study of possible changes in the uniform law. Company men objected to anything in the nature of a valued policy form as it requires immediate inspection and valuation of all properties insured, which is difficult and expensive. Company men also opposed the automatic cancellation of policies for nonpayment of premium, but were divided on the question of requiring a periodical return of names of agents in arrears on premiums.

Marine Situation Not Acute

In a report of the committee on In a report of the committee on definitions, the settlement of the marine-casualty controversy by the National Convention of Insurance Commissioners was discussed. The situation is not as acute in Canada because tion is not as acute in Canada because a large portion of the business is done by multiple line organizations. However, a committee of marine, fire and casualty men has been appointed to consider the question and the superintendents expressed the hope that the difficulties could be straightened out by self-regulation through this committee.

Throughout the discussion all fac-tions agreed that controversial amendments to the insurance laws should be avoided so as not to disturb the business unnecessarily until conditions are

Commissioners' Committee on Valuations in Session

NEW YORK, Sept. 13.—The sub-committee of the committee on valuations of the National Convention of Insurance Commissioners is meeting at the office of the New York department here to consider the formula to be employed by companies in reporting annual statements for 1933. In addition to Superintendent Van Schaick members of the committee are Dunham, Connecticut; M. L. Brown, Massachusetts; Palmer, Illinois; Warner, Ohio, and Gough,

mer, Illinois; Warner, Onio, and Gough, New Jersey.

The feeling among company men is that it would be desirable for the state authorities to determine a permanent basis of valuation instead of a formula influenced by fluctuating market quotations. As against this the commissions point out that economic conditions sions point out that economic conditions the past four years have been such as to make imperative the adoption of emer-

To Report on Branch Offices

NEW YORK, Sept. 13.-Except for the meeting of the executive committee of the National Association of Insur-ance Agents, scheduled for the aftermoon of Oct. 11, all sessions in Chicago will be open to all attendants as in for-mer years. A report will be made by the special committee previously named to consider the branch office situation. H. E. McKelvev of Pittsburgh is chair-

Named Chairman



E. A. Henne, vice-president and western manager of the America Fore group, has been elected chairman of the supercommittee on automobile affairs in Chicago, which was formed to harmonize the activities of the various agencies interested in the automobile

Two subcommittees were appointed at the organization meeting to carry on various phases of the work.

The mayor's committee, headed by F. J. Sauter, has nearly completed its deliberations and will probably report to Mayor Kelly this week.

man, and G. F. Kern, New York City; Harvey Nelson, Jersey City; A. I. Wolff, Chicago, and Secretary W. H. Bennett associate members.

Death of Thomas R. Cook

OKLAHOMA CITY, Sept. 13.— Thomas R. Cook, veteran fire insurance man of Oklahoma City, died suddenly of heart trouble at the age of 62. He was a pioneer, having come to Okla-homa in 1889 and served as adjuster for the Aetna Fire for nearly 20 years. He was active in all insurance movements and was a member of the Blue Goose.

Companies Fight Proposed Tax on Assets in N. Y. C.

MEASURE SPRUNG SUDDENLY

J. H. Doyle Tells Authorities New York Carriers Suffer Big Handicap if Levy Is Assessed

NEW YORK, Sept. 13.—Through a last minute amendment to the nunicipal bill imposing a tax on the operations of fire and life companies on their New York City operations mutuals and reciprocals as well as

NEW YORK, Sept. 13 .- In a sudden and desperate attempt to tap new sources of tax revenue, Tammany Hall has turned on the fire and life companies and is attempting to jam through a tax program which includes a sizable levy against the assets of these carriers for the privilege of doing business in New York City. The proposed tax would be an amount equal to one-quarter of one percent of whatever proportion of a company's assets its New York city premium income bore to its total premium income for the fiscal year ended June 30, 1933.

The proposal is to make the tax an emergency one, solely for unemployment relief, but there is a strong fear that it will become permanent if once lodged on the books.

The measure evoked determined oppo The measure evoked determined opposition from company officials at public hearings which took practically all day Monday. Until Friday the companies had no notion that any such tax plan was contemplated by the city and it was not until Saturday that city officials made it possible for those interested to obtain an accurate copy of the proposal. proposal

J. H. Doyle, general counsel National Board, pointed out the unfairness of the proposed tax from the fire companies' point of view. The tax, since it does not apply to other than strictly stock fire companies, would place other car-riers at an advantage. Also it would bring about retaliatory taxes by other

"The burden upon companies transacting business in the city under this proposed measure would be so great as to create a very material differential in expense costs in favor of companies not

(CONTINUED ON PAGE 20)

THE WEEK IN INSURANCE

R. B. Ives, president of the Aetna Fire, is made chairman of the board and Vice-President W. R. McCain becomes president.

Page 3

Much interest in action commissioners
big casualty convention at White Sulphur
will take in regard to lists of delinquent

Insurance men are much interested in what action the commissioners will take when they receive the reports from companies of brokers and agents more than 90 days delinquent in payment of balances.

90 days uction.

* * * *

Code submitted by National Association of Insurance Agents is approved.

Two separate codes are filed by different groups of mutual companies and another by the American Institute of Marine Underwriters.

Philadelphia Insurance Agents Asso-ciation notifies companies its members will hold out 35 percent commissions on suburban business until the commission question in Philadelphia territory is set-tled.

R. P. Hartley elected president of Canada.

* * *

R. P. Hartley elected president of Canada.

Page 4

of Canada.

* * *

International Claim Association meets at Atlantic City.

* * *

Comprehensive discussion of troublesome carbon monoxide claims presented by Dr. F. S. Rossiter at International Claim Association meeting.

Page 25

Oakland, Calif., agents seek to protect their territory more effectively from overhead writing.

* * * Page 5

Measure proposed in New York City to tax assets of fire companies is bitterly attacked.

* * * Page 4

Additional speakers, including Governor White of Ohio, are announced for
big casualty convention at White Sulphur Springs.

* * * *

A. M. Holtzman tells Chicago Accident & Health Club how to conduct production drives. Page 25

Annual meeting of International Association of Industrial Accident Boards and Commissions is held in Chicago. * * *

Rule of National Casualty Bureau com-anies most cash in small town banks e kept in locked vaults is reducing sses. Page 24

More authority and consideration being given divisional underwriting chiefs by casualty companies. Page 25

* * * *
Surety company officials speculate as to
effect Glass-Steagall bill will have on
private writing of depository bonds.
Page 26

Casualty company officials pleased over agreement on definition of marine and transportation underwriting powers.

Page 23

Announce Plans for Session of Advertising Conference

MEET AT BRIARCLIFF, N. Y.

Joint Meetings for All Classes to Be Held Except for Group Conferences Tuesday

The program for the Insurance Advertising Conference meeting at Briarcliff, N. Y., Sept. 25-26 has been announced by A. A. Fisk of the Prudential, chairman of the program committee. With the exception of group meetings Tuesday afternoon, all meetings will be a septiment of the program of th joint sessions attended by the life, fire and casualty groups.

The opening session will be conducted by S. F. Withe, Aetna Casualty, presi-dent of the conference. His report and those of the other officers will be prethose of the other omders will be pre-sented at that time. The reports of the following committee chairman will also be heard: R. G. Richards, Atlantic Life, frontier safety; H. H. Putnam, John Hancock Life, standards of practice; H. A. Warner, Maryland Casualty, safety (CONTINUED ON PAGE 28)

Ohio Fire Underwriters and Fire Preventionists Meet

COLUMBUS, O., Sept. 13.—The Ohio Fire Underwriters Association at its meeting here was addressed by N. R. Baker, general manager Fairmont Creamery Co., Columbus, who drew a comparison between the problems facing the creamery industry and the fire ing the creamery industry and the free insurance business. C. E. Hutchinson, Parkersburg, W. Va., representing the Fire Association in 14 southeastern Ohio counties, was received as a member Theorem China ber. The next meeting will be held in Columbus Oct. 3.

The Fire Prevention Association arranged for an active fire prevention campaign in Ohio Fire Prevention Week. A. C. Guy, Western Adjustment, will broadcast and the story of fire prevention will be carried into the homes and schools. Arrangements are being made for an inspection at Fostoria, O.

Port Huron Agencies' Outing

PORT HURON, MICH., Sept. 13.— Thirty-five managers and field men of fire and casualty companies represented by Wright, Hoyt & Co. and the Cowan

by Wright, Hoyt & Co. and the Cowan Agency, Port Huron, were the guests of the agencies at their annual outing.

In the golf tournament W. H. Gabriel, state manager National of Hartford, won the kickers' handicap and L. R. Hanawalt, assistant western manager National of Hartford, had low gross score.

Pearl Assurance Hearing

The hearing of the affairs of the Pearl Assurance, which was to have taken place at the office of the department in New York City Sept. 11, has been postponed for three weeks.

Grain Dealers National Changes

D. Clay Cook has been appointed eastern special agent of the Grain Dealers National Mutual Fire, being transferred from the South Bend, Ind., territory. He will probably make his headquarters in Albany, N. Y. C. I. Smith succeeds Mr. Cook in the South Bend territory. ritory, being transferred from the Greensburg, Ind., territory. He was for-merly with the National Inspection Bureau.

Jackson Rejoins McGee

Harold Jackson, who was with W. H. McGee & Co. for 11 years prior to his establishing an independent agency of his own in New York City in 1931, has rejoined the former office, taking representation of the Camden and Anchor.

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Code of National Agents Association Is Approved

MAY MAKE FURTHER FILING

Two Agreements Submitted by Groups of Mutuals-Another by Marine Underwriters

The NRA code submitted by the National Association of Insurance Agents, has been approved by General Johnson. In addition to the regulations governing minimum pay, hours and laborights that were contained in the National Board and Association of Casualty & Surety Executives filing, the agents' code has additional features.

One section sets out that the National Association of Casualty & Surety Executives filing, the agents' code has additional features.

code has additional features.

One section sets out that the National association shall impose no inequitable restrictions on its members and participation in its activities. Another section declares, "Such of the provisions of this code as are not required to be excluded therein by the national industrial recovery act may, with the approval of the President, be modified or eliminated as changes in conditions or experience may indicate. This association, in submitting this code, reserves the right to file supplementary provithe right to file supplementary provi-sions of this code or additional codes (CONTINUED ON LAST PAGE)

Speakers Are Announced for Meeting of Mutual Agents

The National Association of Mutual Insurance Agents will hold its second annual convention at the Deshler-Wallick Hotel, Columbus, O., Sept. 20-22 with about 250 in attendance. All classes of mutual insurance except life will be represented. The address of welcome will be by W. A. Guild of Dayton. Banquet speakers will be Judge C. V. Weygandt, chief justice of the Ohio supreme court, and C. M. Purmort of Van Wert.

Discussions at the convention will deal with various phases of mutual insurance and the relations between companies and agencies. Part of one session will be devoted to advertising. Speakers will include A. R. Peters, president, Washington, D. C.; E. I. Oakes, secretary, Washington, D. C.; E. V. Thompson, first vice-president, St. Louis; C. B. Jenkins, second vice-president, Washington, D. C.; C. Clennings, third vice-president, Baltimore; Russell Davis, Columbus; L. A. Dennis, Shelby, O.; F. B. Ballou, Norfolk, Va.; F. E. Reuning, Bristol, Tenn., K. G. Potter, Waynesboro, Pa.; W. E. Jackson, Indianapolis; H. A. Kern, Van Wert, O., and E. C. Frampton, Mansfield, O. There will be a number of round table discussions. A golf tournament will be held, and there will be card and theater parties and luncheons for the women.

the women.

The Mutual Fire Insurance Club of Columbus will act as host. J. E. Anderson is president of the club and Russell Davis chairman of the convention committee. Mrs. J. W. Huntington of Worthington, O., is chairman of the committee on entertainment of the ladies.

Insurance Men on Program

A number of men identified with insurance are appearing on the program of the meeting of the International Association of Electrical Inspectors in Chicago this week. They include George H. Parker, manager Kentucky Actuarial Bureau, F. H. Wentworth, managing director National Fire Protection Association, Dana Pierce, president Underwriters Laboratories, A. R. Small, chairman electrical committee, W. S. Boyd, formerly connected with the Western Underwriters Association.

East Bay Local Agents Are Seeking a New Procedure

WORKING ON AN AGREEMENT

Oakland, Cal. People Are Endeavoring to Protect Their Interests More Effectively

SAN FRANCISCO, Sept. 13.—A committee of local agents representing the membership of the East Bay Association of Insurance Agents is engaged in preparing a so-called coalition agreement designed to settle the age old controversy between the agents and companies over overhead writing in their territory. The agreement will be signed by agents, who in turn will obtain individual signatures of the companies represented. Failure of a company to sign compels all of the agent signatories to cease business relations with that to cease business relations with that company.

Will Replace Pacific Board

The agents will thus replace the present metropolitan area rule of the Pacific Board which they state is being openly violated and unenforceable. It will also contain provisions that all policies issued on risks located in such terri-

cies issued on risks located in such territory must be signed by the local agent of the company in the community.

San Francisco brokers and office employes of companies write policies on East Bay properties and agents are never notified, says the association. The suggestion of the agreement was unanimously approved at its annual meeting Sept. 11 in Oakland.

R. F. C. Loans Reported

WASHINGTON, Sept. 13.—Only four loans, aggregating \$329,697, were made to insurance companies by the Reconstruction Finance Corporation in July. They included \$206,000 to the Consolidated Indemnity, New York, none of which had been disbursed up to the end of the month; \$85,600 to the Stuyvesant, \$35,000 to the Inter-Ocean Casualty and \$3.007 to the Nebraska Hail Lincoln \$3,097 to the Nebraska Hail, Lincoln, Nebr.

A loan of \$30,359 to the American Life, Detroit, and one to the Peoria Life were withdrawn or cancelled.
At the close of July loans to insurance

companies outstanding amounted to \$68,-

C. E. Emmerling, local agent at Water-town, Wis., since 1884, has retired as manager of the Fleischmann Malting Co. plant at Watertown to devote his entire time to his agency.

Code Chairman



JOHN HYNES, Davenport, Ia.

John Hynes of Snider, Walsh & Hynes of Davenport, who was chairman of the code committee of the Iowa Association of Insurance Agents, reported its findings at the annual meeting at Fort Madison, Mr. Hynes is a former president of the Iowa association and has been prominent in Iowa affairs.

Finance Companies Evolve New Insurance Premium Plan

KANSAS CITY, MO., Sept. 13.—The committee recently appointed by the National Association of Finance Companies to evolve a simple plan for financing insurance premiums will present the plan it has worked out at the association's annual meeting in Chicago Sept.

Harold Oppenheimer, president Atlas Acceptance Corporation, Kansas City, is chairman of the committee. W. D. Troyer, president General Finance Company, New Orleans, and J. E. Davis, president National Guarantee & Finance Corporation, Columbus, O., are the other members.

The proposed plan in no way puts the

insurance companies into the finance business or deviates from their usual practice. It is to be submitted to the insurance companies if adopted at Chi-

Agents Act in Dispute on Philadelphia Commissions

TAKE 35% ON SUBURBAN COVER

Want Metropolitan Scale on Even Basis with Suburban-Expect Agreement by Oct. 1

PHILADELPHIA, Sept. 13.—Members of the Philadelphia Insurance Agents Association have notified their companies that they will withhold 35 percent for commission on all suburban business until Oct. 1 and will continue to do so after Oct. 1 if the companies refuse by that time to place the Philadelphia commission scale on an even basis with the suburban.

Last May the Eastern Underwriters Association promulgated a new commission scale for the Philadelphia suburban territory of 30 percent plus 10 percent contingent to policy writing agents and 20 percent with no contingent for non-policy writing agents and brokers. Philadelphia agents refused to sign the agreement unless the Philadelphia scale was equalized, their main contention being that it cost more to secure the Philadelphia business.

Look for Settlement

Look for Settlement

Until recently agents felt that the outlook for an agreement on the question was bright, the optimism regarding an early settlement being based mainly on the friendly attitude being taken by Otho Lane, president Fire Association, and chairman of the E. U. A. territorial committee dealing with the agents. However, Mr. Lane has been away from Philadelphia for a month and his absence held up conferences with the agents. Now that he is back there is a strong chance, despite the ultimatum, of an agreement by Oct.

1. Although the agents are taking the old 35 percent suburban commission and the ultimatum, or an agreement of the ultimatum, or an agreement of the lold 35 percent suburban commission and are demanding 30 percent for Philadelphia business, they have informed the companies that they feel that 25 percent commission both for Philadelphia and for the suburban territory would be sufficient and allow them to make a living provided the companies would refrain from competing with them for business through production branch offices.

Bank Insurance Activities Are Protested in Manitoba

WINNIPEG, Sept. 13.—The Insurance Agents Association of Manitoba has protested against Canadian chartered banks engaging in the insurance business, before the royal commission on Canadian banking. Contrary to the regulations of the bank act, it was claimed, branch banks particularly have taken a large share of the insurance business, in some cases splitting the commission. The protest arose from a reply from the association to a questionnaire sent out by the Winnipeg board of trade. Approximately 40 percent of the replies to the questionnaire commented on the alleged activity of bankers in the insurance field, especially at country points and relating to placing hail insurance and splitting commissions with life insurance writers. The bank act at present requires that no agent or manager of any bank shall

The bank act at present requires that no agent or manager of any bank shall no agent or manager of any bank shall act as an agent for an insurance company or for any person in placing insurance and further that no bank shall exert pressure on any borrower to place insurance in any particular agency. Banks have the right, however, to refuse as security, insurance in a company of which they do not approve.

S. S. Steele has become an adjuster for the assured at Jackson, Miss. He has had years of experience as local, special, state and general agent for fire and cas-ualty companies in Mississippi.

Change in Aetna Fire Lineup



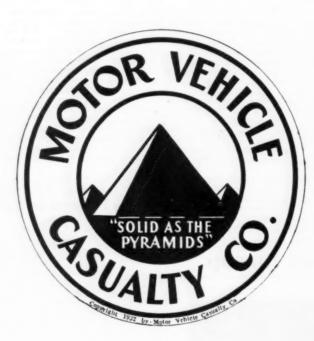
RALPH B. IVES Retiring President



W. ROSS McCAIN

Intelligent, useful service to agents, brokers, policyholders and claimants.

Inquiries from responsible agents and brokers welcomed.



HOME OFFICE 223 W. Jackson Blvd., Chicago, Illinois A STOCK AUTOMOBILE COMPANY

Under same management for the past 18 years. Organized in 1914 as Motor Vehicle Underwriters. Organized as Motor Vehicle Casualty Company in 1930.

VIEWED FROM NEW YORK

G. G. HOOPER IS DEAD

Funeral services were held Monday in Suffern, N. Y., for G. G. Hooper, 67, who retired from the New York City agency of Hooper & McDaniel in 1931. He started in the New York office of the Liverpool & London & Globe in 1882, and five years later went with the old Alliance of New York. In 1891 he joined the Benomit Lockwood agency, remaining uptil 1915 York. In 1891 he joined the Benoni-Lockwood agency, remaining until 1915 when he joined the Darby & McDaniel agency, which then became Darby, Hooper & McDaniel.

When Mr. Hooper retired Clarence McDaniel and C. M. Cloud merged their agencies and it became McDaniel, Cloud & Maeser.

* * *

FIRE PREVENTION CAMPAIGN

Appreciating the need for conserving Appreciating the need for conserving every resource of the country the National Board is planning an extensive fire prevention campaign the week of Oct. 5, in which effort it will have the efficient support of public authorities generally. Posters for window displays have been issued, reciting that fire takes a toll of 10,000 lives and of \$500,000,000 of property every year. The vast percentage of this could be prevented through the exercise of reasonable care by the citizenry. In addition to the direct property loss a heavy burden results from fire through throwing men and women out of employment until burned plants are rebuilt, truths the Na-tional Board and interests allied with it in the prevention campaign are seeking to drive home to property-owners.

HUNT IS MARINE GENERAL AGENT

G. A. Hunt, Jr., who has been appointed general agent of the marine department of Corroon & Reynolds, is a

INSURANCE STOCK **QUOTATIONS**

H. W. Cornelius, Bacon, Whipple & Co., 135 So. La Salle St., Chicago, at close of business Sept. 12

Stock	nor		
Stock Par'	Share	Bid	Asked
Aetna Cas 10	1.60	54	56
Aetna Fire 10	1.60	34	36
Aetna Life 10	2.00	2314	25
Amer Alliance 10	1.00	14	16
*American N. J. 2	50 50	7 3/	8 1/4
Amer Surety 95	00.00	91 74	99 74
Antomobile Coup 10	1.40	20	99
Roston 100	16.00	460	480
Carolina 10	1.00	16	17
City of N V 100	7.50	124	120
Conn General 10	80	24	26
Continental As 10	2.00	96	90
Continental Cas 5	2.00	101/	19
Continental Ing 9	50 1 90	20 72	91
Fidal Phonix 9	50 1 20	20	90
Pineman's Fund	2.00	- 543/	551/
Fireman's Fund. 5	3.00	34 72	99 72
Fireman's F. Ind. 10		19	21
Enonglis Eline	1 00	173/	197/
Clare Folls	1.00	00	18 1/2
Creat Amon Ind	1.60	28	50
Great Amer. Ind. 1	1.00	12	0 1/2
Honoron 10	1.00	97	10
Harmonia 10	1.00	16	10
Hartford Fire 10	2.00	16	10
Hartford Fire 10	1.00	40	71
Hartford St. B 10	1.00	101/	91
Home, N. 1 3	0.00	19 72	21
Home F. & M 10	2.00	20	24
Ins. Co. of N. A. 10	2.00	43 1/2	45 1/2
Maryland Cas 2 Mass. Bonding 25 National Cas 10 National Fire 10 National Liberty . 2 National Union 20 New Amst. Cas. 5		2 72	3
Mass. Bonding 25		17 5 1/2 4 4 4 8/4	20
National Cas 10	0.00	3 72	40
National Fire 10	2.00	4.97	46
National Liberty 2	.10	4 74	5 ½ 49
National Union 20	1 00	40	49
New Amst. Cas. 5	$\frac{1.20}{.50}$	14	15
New Brunswick, 10	.00	14 17 15 ½	18
North River 2.	00. 06	10 1/2	11
N. W. National 25	.50	101	82
Decidental 10	9.00	05.1/2	18 1/2
Pacine Mutual 10	2.00	23 72	26 72
Phoenix, Conn 10	2.00	59	62
Prov. wash 10	.50	23	25
Sprend. F. & M. 25	4.50	110	101
St. Paul F. & M. 25	0.00	118	121
Travalera 100	10 00	400	470
Travelers100	16.00	420	435
U. S. Fire 4	1.20	29	31
North River	-01.00	10	9,
westchester 2.	00.1 06	13	21

seasoned marine underwriter, having previously served the North America in that division for ten years, first at its head office, subsequently as marine special agent in the eastern territory, and still later as manager of its downtown marine office in Philadelphia. Several years ago he was transferred to Montreal as assistant manager of the marine division, and again advanced to manager division, and again advanced to manager of the southern California and Arizona marine branch. In 1921 he was assigned to the New York City office, where he made an intensive study of the forms and rules promulgated by the Inland Marine Underwriters Association.

Associated with him in the new post is C. W. Welk, who bears the title of supervisor of the inland marine division of Corroon & Reynolds, an office he has held for the past three years.

held for the past three years.

WORLEY VISITS NEW YORK

Sir Arthur Worley, general manager of the North British & Mercantile of London, is visiting C. F. Shallcross, United States manager of the company, reaching New York City via Canada.

The Fowler National Bank and the Tippecanoe Loan & Trust Company, both of Lafayette, Ind., have been placed on restricted basis by the banking department. Both have insurance departments.

Will Purchase Chicago General Agency

The undersigned has a client who desires to purchase either a Chicago fire general agency, a casualty general agency or one writing both fire and casualty insurance.

Buyer is in position to make a substantial cash payment. All replies will be held in the strictest confidence but must give full details.

Write or phone

Arthur J. Utter Certified Public Accountant A2142 Insurance Exchange Bldg. Chicago, Illinois. Wabash 9384

DEFAULTED Real Estate Mortgage Securities

The method of procedure to best protect investments of this type and to salvage the most out of these defaulted securities has become a problem during the last four years, and where the holdings are numerous the expense involved must be considered.

To any Company considering recreating

To any Company considering representa-tion in the Chicago district for

PROPERTY SERVICING

I submit the following qualifications, plus the best of reference:

The last three years working with real estate mortgage Committees, Receiver for apartment buildings, representing owners of defaulted bonds and mortgages.

gages.
Previous twelve years, real estate mortgage business in all branches as Vice President and Secretary of a representative Company in Chicago.
Eight years law practice prior to entering the real estate mortgage field.

Address X85, care The National Underwriter.

FERGUSON, SERLING, DANIELS & PORTER ACCOUNTANTS AND ACTUARIES 102 Maiden Lane, New York, N. Y. Managem Organization

Established 1923

LINCOLN

FIRE INSURANCE COMPANY OF NEW YORK

> A strong and seasoned institution with a rugged honesty in conduct and service to its policy-holders and agents.

> > **MANAGERS**

GEO. W. BLOSSOM

WM. A. BLODGETT

O. F. WALLIN

HEAD OFFICE 90 John St. New York

PACIFIC COAST DEPT. 114 Sansome St. San Francisco

WESTERN DEPARTMENT, 175 W. Jackson Blvd., CHICAGO Lawrence C. Larson
Superintendent of Agents

PHILADELPHIA, PA.

Semi-Annual Statement, June 30, 1933

Reserve for Unearned Premiums \$ 613,184.75 CASH CAPITAL 1,000,000.00 NET SURPLUS 1,657,069.10

TOTAL ASSETS\$5,004,970.93

SURPLUS TO POLICYHOLDERS...\$2,657,069.10 On Market Value Basis

Acquire THE OLD "STATE OF PENN"

*Contingency Reserve represents difference between Insurance Dept. Values and actual Market Prices.

INCORPORATED 1799

PROVIDENCE WASHINGTON INSURANCE CO.

of Providence, R. I.

Capital \$3,000,000

INCORPORATED 1928

ANCHOR INSURANCE CO.

Providence, R. I.

Organized and Owned by the Providence Washington Insurance Co. Capital \$1,000,000

Each of these Companies writes the following classes of Insurance

FIRE-TORNADO-OCEAN and INLAND MARINE AND THEIR ALLIED LINES
AUTOMOBILE—FIRE, THEFT and COLLISION

COMBINED POLICIES AUTOMOBILE-FULL COVERAGE GOLFERS' EQUIPMENT and LIABILITY

MARYLAND CASUALTY COMPANY

INCORPORATED 1832

VIRGINIA FIRE AND MARINE INSURANCE CO.

Richmond, Va.

Capital \$500,000

FIRE SPRINKLER LEAKAGE

TORNADO AUTOMOBILE INSURANCE

WESTERN DEPARTMENT: 175 W. Jackson Bivd., CHICAGO, J. R. Cashel, Manager

GULF INSURANCE COMPANY

Dallas, Texas

Surplus to Policyholders Over \$2,000,000.00

Carries cash, Government securities and other immediately cashable assets equal to its reserves. Policyholders and agents cannot lose.

We have agency openings in Ohio, Illinois and Indiana for fire lines and full coverage automobile insurance.

Address the Home Office, Dallas, Texas.

GULF INSURANCE COMPANY

E. L. FLIPPEN,

G. G. SHEERIN, Vice-Pres.

DALLAS, TEXAS

WRITING FIRE AND ALLIED LINES-AUTOMOBILE (FIVE POINT) AND PLATE GLASS

XUM

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United States Fire Insurance Company

Organized 1824

Statement -June 30, 1933

ASSETS

Cash in Banks and Trust Companies\$	1,606,542.80
United States Government Bonds	
Other Bonds and Stocks	17,840,416.92
First Mortgages on Real Estate (126	
Mortgages — Largest Individual	
Loan \$65,000)	1,495,181.45
Real Estate	185,346.02
Premiums in Course of Collection	
(Not over 90 days)	1,371,636.81
Bills Receivable, Not Due	162,472.06
Interest Accrued	70,087.87
Other Assets	46,387.76

\$27,748,538.07

LIABILITIES

Reserve for Unearned Premiums\$	9,706,749.61
Reserve for Losses in Process of Ad-	
justment	2,005,685.00
Other Liabilities	391,858.78
*Contingency Reserve	3,675,568.30
Capital\$2,000,000.00	
Net Surplus 9,968,676.38	

Surplus to Policyholders... 11,968,676.38

\$27,748,538.07

*Contingency Reserve represents difference in full between Insurance Department values and actual market values of securities.

This Company has no direct or indirect ownership in any fire or casualty insurance company.

CRUM & FORSTER

MANAGERS

110 William St. **NEW YORK CITY**

Western Department	-	-	-	-	-	FREEPORT, ILL.
Southern Department	-	-	-	-	-	- ATLANTA, GA.
Pacific Department -	-	-		SA	N	FRANCISCO, CAL.
Carolinas Department	-	-	-	-	-	DURHAM, N. C.
Allegheny Department	_		-	_		PITTSBURGH PA

Fire Company June 30 Figures

(As Repo	rted to the	Georgia In	surance Depa		
Commons				Six Mos.	Six Mos.
Company	Capital	Assets	Surplus	Income	Disburse.
Allemannia		\$ 5,210,206	\$ 1,580,815	\$ 658,298	\$ 789,637
American Equitable	1,000,000	10,930,984	2,528,106	2,177,161	4,175,531
American Reserve	1,000,000	5,110,440	727,822	1,834,634	1,310,001
Anchor	1,000,000	1,955,057	276,531	264,776	266,845
Atlas Assur		6,246,866	2,469,022	1,403,918	1,523,794
British General	850,850	1,206,857	246,585	221,072	246,498
Commercial Union	17,700,000	12,917,537	4,703,508	3,073,802	3,701,297
Citizens, N. J	1,000,000	2,763,050	1,023,526	227,615	231,815
Columbia, N. J.	1,000,000	3,235,928	924,594	401,466	457 540
Empire State	1,000,000	2,825,440	1,018,268	235,570	457,546
Federal, N. Y	2,000,000	15,155,446	9,212,395	1,924,053	177,467
Franklin National	1,000,000	3,123,390	1,186,053	263,120	1,731,687
Globe & Republic	1,000,000	7,008,702	1,557,597	1,305,721	235,242
Granite State	1,000,000	3,882,322	1,128,240		3,075,856
Hartford	12,000,000	84.150.172	94 707 170	594,519	582,779
			24,707,178	16,437,160	17,174,981
	1,000,000	2,533,384	981,721	249,253	218,738
Homestead	500,000	1,881,516	270,241	280,259	180,834
Lumbermen's, Pa	1,000,000	4,365,882	1,105,662	867,908	842,513
London & Provincial	200,000	1,029,827	414,965	167,132	195,565
Merchants & Traders.	1,000,000	4,754,574	1,564,332	549,826	509,776
Mercantile	1,000,000	6,104,098	2,425,185	1,095,330	1,299,737
Michigan F. & M	1,000,000	3,790,445	708,266	662,177	701,905
Merchants & Mfrs	1,000,000	3,765,370	802,055	666,777	1,255,049
National, Conn	5,000,000	43,117,706	11,620,742	6,928,530	7,461,855
New Hampshire	3,000,000	16,135,150	5,790,529	2,227,667	2,126,613
New England	400,000	1,345,242	360,907	173,954	207,665
Northwestern F. & M	1,000,000	2,888,483	620,792	424,627	
Patriotic	1,000,000	2,376,964	527,718	307,510	348,675
Potomac	500,000	3,346,766	994,963	655,952	348,196
Phoenix, Eng	400,000	7,898,288	2,033,568	1,616,906	716,420
	400,000	24,293,851	11,270,929	6,655,902	1,638,732
Royal			1 257 072		5,125,408
Royal Exchange	400,000	4,293,263	1,357,973	1,179,293	1,178,575
Seaboard	500,000	2,193,551	646,639	405,441	564,724
Southern, N. C	200,000	1,225,620	623,181	149,885	189,736
Southern Home	500,000	1,472,845	501,558	210,794	231,135
Springfield F. & M	5,000,000	30,647,823	6,890,342	5,596,351	6,372,391
Standard, Conn Standard, N. Y	1,000,000	4,720,210	1,279,396	798,830	769,885
Standard, N. Y	1,500,000	6,106,172	2,318,470	746,933	603,874
Standard Marine	400,000	3,311,940	2,054,722	593,327	649,197*
Sentinel, Mass	1,000,000	2,381,224	787,008	195,132	210,348
Sun	500,000	6,575,924	1,684,465	1,735,991	1,645,815
Twin City	500,000	1,561,101	465,249	171,335	125,188
Transcontinental	1,000,000	3,292,852	1,382,817	264,078	235,326
Union. Eng	250,000	2,746,495	619,128	582,013	634,007
Union, China	400,000	3,017,063	1,692,645	378,262	826,677
Union, France	100,000	1,366,627	865,770	121,352	275,666
Union Marine	400,000	2,394,838	931,502	330,348	298,133
	2,000,000	27,748,538	9,968,676	4,665,250	5,487,588
United States Fire	400,000	4,273,096	1,342,632	614,746	853,395
Western, Can				3,204,656	
Westchester	1,000,000	18,569,986	5,573,259	910 270	3,964,449
Yorkshire	200,000	3,550,240	1,276,586	810,370	1,037,403

*Includes \$297,798 re	mitted to	nome omce.			
Capital item of forei	gn compar		sit capital.		
		MUTUALS			
Penna Lumbermen's		2,895,492	1,491,359	807,745	709,134
Merrimac, Mass		1,081,468	321,578	349,774	297,917
		4 4 50 9 51	220 000	ECO CAO	291 0F0

3.5	1,081,468	1,491,359 $321,578$ $336,666$	807,745 349,774 568,640	709,1 297,5 521,9
Lumber Mutual, Mass	9 100 745	2,116,306	655,946	574,8

Some Observations About A. F. Dean

THE NATIONAL UNDERWRITER has re-THE NATIONAL UNDERWRITER has received from an old-time friend of the late A. F. Dean, manager of the Springfield F. & M., a letter commenting on some of Mr. Dean's characteristics. In part he said: "On reading the observations about A. F. Dean in your current issue I could but feel that he was a man of as great versatility and talent as we ever had in fire insurance. He seemingly ever had in fire insurance. He seemingly touched about every avenue of knowledge and was interested in the pursuit of information and truth in all directions. He was least interested in geology of

Interested in Poetry Technique

"Mr. Dean some years ago for the benefit of his granddaughter wrote a series of verses illustrating every possible poetical measure. He was interested in scanning poetry and studying its me-chanics. He composed the verses him-self to illustrate the various types of poetical measure. While Mr. Dean was not a musician he studied the technique of music in all its ramifications and especially the effect of sound. He applied his scientific knowledge to sound waves and rhythm. Mr. Dean, like all eminent scholars and clear, logical thinkers, had supreme confidence in the conclusions he reached because he felt they were arrived at in a thoroughly rational proc-

(CONTINUED ON PAGE 29)

Marine Pact Approved

The departments of Connecticut and Indiana, as well as that of New York, have formally approved the agreement prepared by a joint committee of representative fire, marine and casualty company officials for enforcing the defini-

tion and interpretation of the insuring powers of marine and transportation of-fices as adopted by the National Con-vention of Insurance Commissioners last vention of Insurance Commissioners last June. Following the submission of the articles of agreement to all interested companies by the committee, Superintendent Van Schaick of New York, as chairman of the commissioners committee dealing with the general subject, addressed the supervising official of each state asking him to adopt the interpretation's program, "if not inconsistent with the laws" of the respective commonwealths, so as to secure nation-wide uniformity thereupon.

The definitions of the convention and the machinery set up for their interpre-

the machinery set up for their interpre-tation represents the labor of several years by the best underwriting thought.

Southern Reinsurance Body Holds Meeting in Chicago

The annual meeting of the Southern Reinsurance Exchange, an organization of companies, most of them from the

Reinsurance Exchange, an organization of companies, most of them from the south, which operates for the reciprocal handling of reinsurance among themselves, was held in Chicago last week. Secretary Charles W. Ehlers of Savannah reported that the experience of the exchange during the past year was the most satisfactory in its history.

John J. Seibels of Columbia, S. C, is president of the exchange. The others at the Chicago meeting were A. F. Pillet, president of the Republic of Dallas; T. K. Byrne, secretary and managing underwriter of the Birmingham Fire of Birmingham, Ala.; G. K. March, president of the Detroit National; H. L. Johnson, secretary of the Southern Home, and T. R. Mansfield, vice-president and secretary of the Gulf of Dallas Usually the annual meeting is held

Usually the annual meeting is held at some city in the southeast, but in view of the world fair, Chicago was chosen this year.

As SEEN FROM CHICAGO

President C. L. Garnett of the Motor Vehicle Casualty of Chicago last week sent a check for \$25 to two Chicago policemen in the automobile detail who shot and killed an automobile thief. Mr. Garnett feels that the police should be encouraged to deal more harshly with these thieves as a means of improving the automobile theft situation in that city.

CONVENTION HEADQUARTERS

A number of companies and organizations have reserved suites at the Drake hotel for the annual meeting of the National Association of Insurance Agents in Chicago and will set up headquarters there. They include the Aetna Life, National Surety, American of Newark, Standard Accident, America Fore, Chubb & Son, Crum & Forster, Fireman's Fund, Boston and Old Colony, Globe Indemnity, National Union Fire, North America, Indemnity of North America, Western Underwriters Association, Springfield F. & M., Phoenix of Hartford, Home, Eagle Star & British Dominions, Sun, Hartford Accident, Monarch Fire, Illinois Insurance Brokers Association, Chicago Board, London & Lancashire and Interstate Underwriters Board. A number of companies and organiza-

ERION TO ADDRESS EXAMINERS

F. L. Erion of Frank L. Erion & Co., independent adjusters, Chicago, will speak on "Use and Occupancy Insurance" at the first fall meeting of the Association of Fire Insurance Examiners of Chicago, to be held Sept. 21 in the Board of Trade grill. This as usual will be a dinner meeting, starting at 5:45 p. m. ing at 5:45 p. m.

OFF FOR SARANAC LAKE

The Chesley special, bearing members of the Western Underwriters Association that mobilize in Chicago, will leave that city Friday for Saranac Lake, N. Y., to attend the semi-annual meeting. Secretary C. F. Thomas will head the delegation, which will be personally conducted by Assistant Secretary H. W. Cheeley.

NOVEL U. & O. ARRANGEMENT

What is believed to be a novel method What is believed to be a novel method of handling use and occupancy insurance is found in a policy covering one of the world fair concessions. Four men have an equal share in this enterprise, which has proved more successful than anticipated. One of the men wanted use and occupancy insurance carried to the limit, while the three others were not so enthusiastic and desired only about 25 percent coverage. The suggestion so enthusiastic and desired only about 25 percent coverage. The suggestion was therefore made that the undivided one-fourth interest of the U. & O. fan be covered separately in the full amount while the interests of the others be covered for a less amount. This arrangement was carried out.

Such an arrangement is frequently made in insuring buildings, but this may be the first time that it has been applied to use and occupancy.

* * *

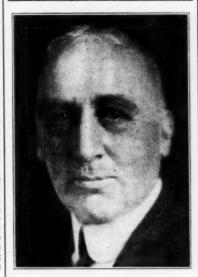
FRED SILBER RETURNS

Fred D. Silber, counsel for the Western Insurance Bureau, has returned to Chicago after a two months trip to the Pacific Coast, Pacific northwest and Wyoming.

ELOF PETERSON RECOVERING

Elof Peterson, who retired about three years ago as farm manager for the Fidelity-Phenix, has returned to his home in Oak Park, Ill., after having undergone a serious operation in the West Suburban hospital in his city. Mr. Peterson is 73 years old and despite his age he came through the ordeal well.

Chicago Local Agency Rounding Out 70 Years



JAMES I. NAGHTEN

John Naghten & Co. of Chicago, well known local agents, are celebrating their 70th anniversary this year. The agency was founded by John Naghten, father of James I., who was one of the leaders in the business in his day. The third generation is now represented in the agency, John A. Naghten, son of James I, named for his grandfather, being in the work.

He was at one time farm manager for the old Phenix of Brooklyn.

PUBLICITY MATERIAL AT HAND

Fire insurance as well as economic recovery will be helped by maintenance of the preesnt low loss ratio. The coming observance of Fire Prevention Week offers a good opportunity to interest the insuring public in their part in this important work. The committee on publicity and education has a large assortment of Fire Prevention Week literature, which is available for use by insurance men who wish to organize observances in their communities, and which can be secured by applying to Room No. 953, Insurance Exchange, Chicago. Fire insurance as well as economic re-

H. F. Gregg of New York, assistant agency superintendent of the Royal group in charge of the west, is on a trip to a number of cities, spending considerable time in Chicago.

R. J. Burns of the Burns & Burns agency, 310 South Michigan avenue, Chicago, has resigned his class 1 membership in the Chicago Board.

Thos. C. Moore on Long Trip

Vice-president and Manager T. Vice-president and Manager T. C. Moore of the Potomac is making a long automobile trip across the country in company with Mrs. Moore. This trip is a combination of business and pleasure as various agencies will be visited en route from Philadelphia to Omaha, via Kentucky. On the return trip Milwaukee and Chicago will be visited and the Philadelphia office will be reached end of this month.

The North River Insurance Company

Organized 1822

Statement—June 30, 1933

ASSETS

Cash in Banks and Trust Companies\$	965,784.13
United States Government Bonds	3,706,035.09
Other Bonds and Stocks	14,235,802.54
First Mortgages on Real Estate (69)	
Mortgages — Largest Individual	
Loan \$35,000)	644,999.00
Real Estate	12,049.36
Premiums in Course of Collection	
(Not over 90 days)	862,449.44
Bills Receivable—Not Due	58,124.35
Interest Accrued	41,111.18
Other Assets	21,323.21

\$20,547,678.30

LIABILITIES

Reserve for Unearned Premiums	\$ 6,190,136.73
Reserve for Losses in Process of Ad-	
justment	1,358,790.00
Other Liabilities	., 195,601.96
*Contingency Reserve	
Capital\$2,000,000.00	0
Net Surplus 7,930,895.98	
	-

Surplus to Policyholders..... 9,930,895.98

\$20,547,678.30

*Contingency Reserve represents difference in full between Insurance Department values and actual market values of securities.

This Company has no direct or indirect ownership in any fire or casualty insurance company.

CRUM & FORSTER

MANAGERS

110 William St. NEW YORK CITY

Western Department	-	-	-	-	-	FREEPORT, ILL.
Southern Department	-	-	-	~	-	- ATLANTA, GA.
Pacific Department -	-	-		SA	N	FRANCISCO, CAL.
Carolinas Department	-	-				DURHAM, N. C.
Allegheny Department			-	-		PITTSBURGH, PA.

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Westchester Fire Insurance Company of New York

Organized 1837

Statement-June 30, 1933

ASSETS

Cash in Banks and Trust Companies\$	1,143,805.59
United States Government Bonds	1,443,134.93
Other Bonds	6,611,282.99
Stocks	7,918,472.84
First Mortgages on Real Estate (63)	
Mortgages - Largest Individual	
Loan \$22,500.)	330,110.00
Premiums in Course of Collection	
(Not over 90 days)	850,294.00
Bills Receivable—Not Due	141,771.17
Accrued Interest	108,399.03
Other Assets	22,715.84

\$18,569,986.39

LIABILITIES

Reserve for Unearned Premiums\$	6,528,847.30
Reserve for Losses in Process of Ad-	
justment	1,774,444.00
Other Liabilities	624,946.69
*Contingency Reserve	3,068,488.77
Capital\$1,000,000.00	
Net Surplus 5,573,259.63	
Surplus to Policyholders	6,573,259.63

\$18,569,986.39

*Contingency Reserve represents difference in full between Insurance Department values and actual market values of securities.

This Company has no direct or indirect ownership in any fire or casualty insurance company.

CRUM & FORSTER

MANAGERS

110 William St. NEW YORK CITY

Western	Department	-	-	-	~	-	FREEPORT, ILL.
Southern	Department	-	*	-	-	-	- ATLANTA, GA.
Pacific De	partment -	•			SA	N	FRANCISCO, CAL.
Carolinas	Department	-	-	-	-	-	DURHAM, N. C.
Alleghenv	Department				_		PITTSBURGH, PA.

NEWS OF FIELD MEN

Agricultural's Field

Roundup Held at Watertown-Hear Cheerful News About Company From Officers

About 60 field men, officers, directors and department heads of the Agricultural and Empire State attended the four day field men's roundup of those companies at Watertown, N. Y. This is an annual event.

Greetings were extended by President H. R. Waite. Treasurer H. W. Tomlinson presented the financial figures for the first six months of this year. The the first six months of this year. The surplus to policyholders of the Agricultural amounted to \$5,059,708 and of the Empire State \$2,018,268. C. G. Inglehart, agency secretary in charge of losses, reported premium volume has been maintained and losses have shrunk more than \$350,000 compared with the same period of 1932.

Secretary W. A. Seaver discussed general underwriting problems. The field men held sectional meetings with Agency Secretaries R. A. Parkinson, H.

Agency Secretaries R. A. Parkinson, H. F. Waterman and A. C. Wallace. Vicepresident E. J. Dickey presided at most of the sessions.

One meeting was addressed by Frank Cox of Appleton & Cox, which concern handles the marine business of the Agri-cultural. He said most local agents are cultural. He said most local agents are missing profits on so-called small lines such as parcel post, personal effects, jewelry and fur floaters, salesmen's samples, etc. Such business is usually plus volume from existing customers.

G. W. Lilly, manager of the Fire Companies Adjustment Bureau, was present and discussed loss problems. He emphasized the importance of a there

emphasized the importance of a thor-ough understanding of the contracts in advance to eliminate confusion in reach-

advance to eliminate confusion in reaching just settlements.

W. Leslie Lewis, newly appointed advertising manager, described new literature and other sales helps which will soon be available.

To Secure Minnesota Man

E. D. Patton, assistant secretary of the Northern of London and manager of its western department, is on a field trip in the course of which he will interview applicants for the Minnesota state view applicants for the Minnesota state agency of the company, vacant since the death last July of C. W. Cartwright. Before returning to New York Mr. Patton will attend the semi-annual meeting of the Western Underwriters Association at Saranac Inn, N. Y., Sept. 19-20.

Ray Miller Back on Job

Ray W. Miller, Iowa state agent for the New Hampshire, who has been resting for about two months following an operation at the Mayo clinic in Rochester, Minn., is now back on the job. He attended the meeting of the Iowa Association of Insurance Agents at Fort Madison last week. During his absence, State Agent Frank L. Swanson of the New Hampshire in Nebraska covered the Iowa field, Mr. Swanson also at-tended the Iowa agents' meeting.

Lester Roller with Pearl

Lester Roller has been appointed state agent for Ohio for the Pearl Assurance with headquarters at Alliance. Mr. Roller represented the Scottish Union & National in Ohio for many years.

Cravens to Tennessee

Maurice Cravens has been appointed special agent of the Continental in Tennessee. He was formerly special agent in the automobile and marine departments in Indiana. He is a son of J. C. Cravens, who has a local agency at Lin-

Rally V. W. Souders Goes to Coast

New Assignment for Ohio State Agent of Fire Association-Ohio Field Rearranged

Virgil W. Souders of Cleveland, state agent for the Fire Association, has been transferred to the Pacific Coast department at San Francisco. He will have charge of the miscellaneous fire sidelines under Manager Frank M. Avery. Before going to the coast, he is spending several weeks at the head

is spending several weeks at the nead office.

The Ohio field is being rearranged. State Agent R. S. Winnard, who has represented the Fire Association in western Ohio with headquarters in Columbus, will now assume jurisdiction over the additional counties of Cuyanard Hamilton Lucas Frankling.

over the additional counties of Cuya-hoga, Hamilton, Lucas, Franklin, Montgomery, Summit and Stark. State Agent C. N. French, who has been devoting all his attention to southern Ohio with headquarters in Colum-bus, will have supervision over agencies bus, will have supervision over agencies located in the remainder of the state, with the exception of 17 counties bordering the Ohio river. These counties will be supervised by State Agent C. E. Hutchinson of Parkersburg, W. Va, who has heretofore confined his attention to West Virginia.

Hosmer's Party Shaping

Robert Hosmer, vice-president of the Excelsior of Syracuse, who is promoting a luncheon of field men of Illinois of 1916-17 (when Mr. Hosmer was president of the Illinois club), states the plans are shaping in great style. In go-ing over the preliminary mailing list, he states that out of 32 names of former Illinois field men, 15 are now company

Karper with the Sussex

R. W. Karper, formerly in the field for the Universal of Newark, has been appointed special agent in western Pennsylvania and West Virginia for the Sussex of New Jersey, one of the F. W. Fort group of companies.

The San Francisco Blue Goose will resume its regular luncheon meetings Sept. 18.

COMPANY NEWS

Indiana Lumbermen's Report

Indiana Department Gives a Review of Its Examination of the Company as of Dec. 31

The Indiana department has presented its report of the examination of the Indiana Lumbermen's Mutual of Indianapolis as of Dec. 31 last. The company was incorporated in 1897. The report shows assets \$2,262,630, premium reserve \$693,178, surplus \$1,465,476, premiums \$1,317,6954, total income \$1,317,624, losses \$494,648, total disbursements \$1,332,129. The fire premiums were \$1,071,606. Of its assets 17.11 percent is in real estate, 31.77 in mortgages, 41.64 bonds, 1.64 stocks, 2.71 cash, 5.31 agents' balances. The company is affiliated with the "Associated Lumber Mutuals" and with the "Improved Risk Mutuals." Prior to October, 1928, it confined its insurance to lumber business and allied lines. Following that general risks have been insured. The largest gross aggregate line on any one risk is \$100,000, the entire amount being retained. The Lumber Mutual Agency assumes all of the underwriting and acquisition ex-The Indiana department has prepense of the Indiana Lumbermen's Mutual with the exception of compensation paid to agencies operating in connection with other associated mutual companies and, field supervisory expenses of executives. The ratio of losses incurred to premiums earned last year was 44.93 percent and the loss adjustment expense was .9 percent.

Miscellaneous Company Notes

The North Star Farmers Mutual has been incorporated by a group of Minnesota men.

In the Georgia semi-annual statement table the surplus of the Retail Hardware Mutual Fire of Minneapolis was shown as \$1,870,247. The surplus is \$2,170,247. The error was due to the fact that \$500,000 guaranty fund was not included in the surplus.

N. F. P. A. Ponders Watchman Issue

(CONTINUED FROM PAGE 3)

mum wage shall be as specified in the president's reemployment mum wage shall be as specified in the president's reemployment agreement. The committee had pointed out that under the plan many watchmen had been discharged and that there was a danger of many men being put out of employment through the discontinuance and curtailment of watchman service. In response to this thought Mr. Wilson writes:

Code Is Limited

"Although we are aware of the possibility of increased fire hazard due to the possible cutting down of hours which a manufacturer may adopt in connection with their watchman service the President's reemployment agreement furnishes us no basis for directing manufacturers to increase the number of watchmen."

In reply to Mr. Wilson's letter the

watchmen."

In reply to Mr. Wilson's letter the committee wrote asking for more specific replies and asked if the NRA could be quoted as taking the position that any concern discharging a watchman because of this ruling would be acting content to the agreement.

cause of this ruling would be acting contrary to the agreement.

On Sept. 7 the committee received a reply from C. Sterry Long, chief interpretations section blue eagle division, stating that the President's agreement was a temporary measure and would be replaced by permanent codes when approved by the administration for the various trades and industries of the country. He also states that most of these codes are making a specific agreement regarding watchmen. Some of them are extending the hours to 48 per ment regarding watchmen. Some of them are extending the hours to 48 per week and some of them are making ex-ceptions entirely eliminating watchmen as regards maximum hours provisions. He states that it is therefore impos-sible specifically to answer the questions in the letter except that under the terms of the President's agreement watchmen are subject to paragraphs? 2 and 5. are subject to paragraphs 2 and 5.

Explanations Confusing

Although the above explanations received from the NRA office are somewhat conflicting the conclusions to be drawn are evidently that, unless industries complying with the code arrange specifically for watchmen service, watchmen still come under the 40 hour week and the question of safety to plants is not a factor.

and the question of safety to plants is not a factor.

Although there have been many cases where watchmen have been discharged entirely and the assured has taken the small rate penalty such action apparently is not in the spirit of the code. Some assured have hired additional watchmen and maintain standard service.

Some assured have retrieved their one

and maintain standard service.

Some assured have retained their one watchman nights and one on Sundays, cutting down their hours, the arrangement being that the watchman shall come on late at night and leave early in the morning. This is bad practice as statistics indicate that most fires start soon after plants are shut down or in the early morning just before they start up. Where the assured can only afford a single watchman, therefore, the best

plan seems to be to have him start his rounds promptly after the plant is shut down and then continue until midnight or for such hours as are permitted unor for such hours as are permitted under the code, leaving the plant unguarded
during the morning hours. Another solution of the problem is to have other
employes remain at night, making two
or three rounds before the watchman
comes on and having other employes
make two or three rounds in the morning after the watchman leaves.

It has also been pointed out that excellent service in sprinkled risks can be

cellent service in sprinkled risks can be maintained by having standard watch-man service with one man until mid-night, putting in a supervised water flow night, putting in a supervised water flow signaling system where there is an approved central station in town and it has been shown that the cost of such water flow supervision is less than would be the cost of an additional watchman. It is also said that complete supervisory service does not cost so much as the two or three watchmen required to comply with standard service under the code, but that does not dispose of the question of discharging watchmen which apparently is against the spirit of the code. In small towns where supervisory cannot be obtained the problem is more complicated. In some such cases water flow alarms can be put in connected to the telegraph office or the fire department but it is understood put in connected to the telegraph office or the fire department but it is understood that there is usually no rate credit for such an arrangement. Apparently the best advices to give an assured are to see that in filing their codes a specific arrangement is made regarding the watchman's service as exceptions are apparently recognized under specific codes.

Ross McCain Is Aetna Fire Head

(CONTINUED FROM PAGE 3)

Mr. McCain is regarded as one of the able underwriters and administrative officers who has gained a wide knowledge

able underwriters and administrative officers who has gained a wide knowledge of the business.

Mr. Ives served as chairman of the executive committee of the National Board and at the last annual meeting declined the presidency. He continued as vice-president.

Mr. McCain has been prominent in the Southeastern Underwriters Association and served as its president. He was chairman of the Arkansas advisory committee and some years ago was chairman of the West Virginia committee. He was active in the organization of the Interstate Underwriters Board and served as its chairman.

Charles S. McCain of New York City, chairman of the board of the Chase National Bank, is a brother of the Aetan's new president. He too was an Arkansas insurance man and travelled as a special agent in the state. He eventually became head of the Bankers Trust Co. of Little Rock. He later entered the New York City banking field.

Some Features of Mutual Convention Are Announced

Some of the features of the annual meeting of the National Association of Mutual Insurance Companies at Minneapolis, Oct. 9-12 are announced by Manager H. P. Cooper of Indianapolis.

Dr. C. M. Vanstone, managing director of one of the large Canadian farm mutuals, will be a speaker. Another will be J. E. Kennedy, deputy commissioner of Wisconsin, who will discuss some of the farm mutual questions. The expectation is that Senator Shipstead from Minnesota, Governor Olson of Minnesota, and Commissioner Brown of Minnesota will be on hand.

Among the questions to be discussed, according to Mr. Cooper, will be a mutual insurance code, mutual policies as collateral, payment of assessments by mortgagee, and financing the farm mutuals.

The Allemannia Fire Insurance Company of Pittsburgh

Established 1868

Statement—June 30, 1933

ASSETS

HOULIU	
Cash in Banks and Trust Companies S	\$ 256,836.50
Bonds	1,034,197.90
Stocks	1,380,822.13
First Mortgages on Real Estate	2,014,735.00
(348 Mortgages — Largest Indi-	
vidual Loan, \$24,350.)	
Real Estate (Invested in Home Office	
Building \$149,750.92)	240,340.60
Premiumms in Course of Collection	
(Not over 90 Days)	194,274.87
Interest Accrued	74,979.63
Reinsurance Due and Other Assets	14,020.35

\$5,210,206.98

LIABILITIES

Reserve for Unearned Premiums	\$1,540,114.79
Reserve for Losses in Process of Ad-	
justment	252,164.00
Other Liabilities	82,412.72
*Contingency Reserve	
Capital\$1,200,000.00	
Net Surplus 1,580,815.73	
Surplus to Policyholders	2,780,815.73

\$5,210,206.98

*Contingency Reserve represents difference in full between Insurance Department values and actual market values of securities.

This Company has no direct or indirect ownership in any fire or casualty insurance company.

CRUM & FORSTER

MANAGERS

110 William St. **NEW YORK CITY**

Western Department	-	-	-	-		FREEPORT, ILL.
Southern Department	-	-	-	-	-	- ATLANTA, GA.
Pacific Department -	-			SA	N	FRANCISCO, CAL.
Carolinas Department	-	-	-	-		DURHAM, N. C.
Allegheny Department			-	-		PITTSBURGH, PA.

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Associate Managers:
G. C. ROEDING W. A. SCANLON O. E. SCHWARTZ

CINCINNATI OFFICE
420 B. Fourth St., Tel. Parkway 2140
LOUIS H. MARTIN, Manager
CURTIS C. CROCKEN, Mgr., Handbook Dept.

NEW YORK OFFICE Room 808-128 William St., Tel. Beekman 8-8958

EDITORIAL DEPT.
GEORGE A. WATSON, ASSOCIATE Editor
R. B. MITCHELL, ASSISTANT Editor
BUSINESS DEPT.
NORA VINCENT PAUL, Vice-President
W. J. SMYTH, Resident Manager

HARTFORD OFFICE Room 802, 18 Asylum St.
Telephone 7-1227
RALPH E. RICHMAN, Manager
PHILADELPHIA
1127 Fidelity-Philadelphia Bidg., Tel. Pen 8706

ATLANTA, GA., OFFICE
204 Atlanta National Bank Building
Seth White, Resident Manager
PHILADELPHIA
0FFICE
1127 Fidelity-Philadelphia Bidg., Tel. Pen 8706

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Reforming Insurance Liquidations

YORK, in his paper which was read at the meeting of the insurance section of the AMERICAN BAR ASSOCIATION, took occasion is the machinery for liquidating insurance state. Mr. VAN SCHAICK first presented the problem in a paper at the last annual meeting of the NATIONAL CONVENTION OF INSURANCE COMMISSIONERS IN CHICAGO.

Going insurance institutions, MR. VAN SCHAICK points out, function without much reference to state lines, but in the event of failure, each state rushes in to dismember the corpse. An equitable and logical settlement of the estate is impossible. The legal process becomes hopelessly confused and complicated, so that in order to proceed at all, compromises must be made up and down the line.

Some system under which centralized authority is recognized must be developed if insurance liquidations are to be carried on in other than grab bag fashion. It is well that MR. VAN SCHAICK'S message was taken to a section of the bar association. It would be even better if that message were read by all lawyers and judges and not merely those especially interested in insurance.

Possibly, the situation would be improved if the judges would make an investigation when they are requested to appoint ancillary receivers. Frequently these actions are irresponsibly sought. For instance, a lawyer in one state sought an ancillary receiver for the GLOBE & RUTGERS. operating in this matter.

SUPERINTENDENT VAN SCHAICK of NEW He was a cheap operator who had been connected in some way with the UNION INDEMNITY receivership in that state. He knew that the UNION INDEMNITY had conagain to point out in what chaotic condition siderable office furniture in the state and when he heard about the GLOBE & RUTGERS companies operating in more than one failure, he figured that this company, being much bigger than the UNION INDEMNITY, would have much more furniture, which could be seized. A receiver was appointed and this attorney was dismayed to find that the GLOBE & RUTGERS had only a small state agent's office in the state.

Very few judges have much knowledge of the insurance setup. Accordingly, they think in terms of commercial receiverships.

MR. VAN SCHAICK suggests that a centralized system or code might be worked out through the NATIONAL CONVENTION of INSURANCE COMMISSIONERS or by federal statute. We feel that the commissioners should tackle this job seriously, with the idea of formulating a program as soon as possible. The commissioners, in their life insurance moratorium action, showed that they can get together pretty effectively in an emergency. The situation cited by MR. VAN SCHAICK, we believe, constitutes an emergency, which challenges the commissioners. Unless these officials act, it is likely that the federal machinery may be invoked. Whether that might prove to be a stepping stone to federal jurisdiction of insurance in other directions is proble-matical. Those commissioners who are eager to preserve the present system of state control can help their cause by co-

Learning How to Forget

Some folks boast of their memory. It is that should be lodged there, then it is many of us are weak in that respect. details in mind crowds out larger ideas how to retain.

a wonderful possession to have. Too well to forget some of the more insignificant tenants of our mind. One If, however, the habit of keeping small should learn how to forget as well as

Building Solid Reputation

more than he is expected to do that will son is really going farther than he ultimately attract attention. We are thinks he can, he finds that he is gainvery prone to stop when the bell rings ing strength for himself and is buildand quit on the dot. We do just enough ing a solid reputation.

It is the person who is doing a little to maintain our position. When a per-

PERSONAL SIDE OF BUSINESS

J. W. Dunlap has been appointed advertising manager of the **Ohio Farmers** and **Ohio Farmers Indemnity** of LeRoy, O., to succeed H. V. Chapman, who died recently. Mr. Dunlap has been with the Ohio Farmers for the past several years as manager of the printing and supply department. He now assumes charge of the advertising department. charge of the advertising department

F. G. Henry, Ohio state fire marshal, F. G. Henry, Ohio state fire marshal, underwent an operation in a hospital in Columbus a few days ago for amputation of his right hand. Mr. Henry was injured several weeks ago in an automobile accident near Columbus. Surgeons were hopeful for a while that they could save Mr. Henry's hand but finally decided it would be advisable to amputate it.

John S. Cutter, local agent at Shenandoah, Ia., who for several years has been conducting tours to various parts of this country and abroad, this summer is reaping something of a harvest by arranging parties and escorting them to the world fair in Chicago on an all expense basis. Mr. Cutter has already conducted 300 persons to the fair and expects to take still another party to Chicago before the season is over. He is an efficient organizer and has many irons in the fire in addition to his agency business. He is United States commissioner for the southern district of Iowa and has been for several years secretary of the Kiwanis club of Shenandoah.

H. M. Carson, head of the Carson Insurance Agency, Charleston, W. Va., who was ill two weeks with hiccoughs, has recovered and returned to his home from the hospital. Mr. Carson was treated with a special serum for hiccoughs from the Mayo Clinic at Rochester, Minn., sent to Cincinnati by airplane and thence to Charleston by train. Postoffice clerks in Charleston notified the attending physician of the arrival of the package containing the serum, and within a half hour it was administered to the patient, with immediate gratifying results. The Mayo Clinic states that only 75 percent of the cases are presumed to respond to the treatment.

A. E. Hendricks, manager special risk department Monarch Fire, made the presentation speech to the winning base-ball team between the police and fire-men of Cleveland Sunday. The game was played in connection with the police and firemen's field day. Approximately 80,000 people were in attendance. The cup was donated by the Monarch Fire.

Ernest Sturm, chairman of the board of the America Fore companies, is home from a holiday trip in Italy, spent largely in motoring about that scenic country. His family accompanied him.

James I. Johnson, veteran Illinois field man, 70 years of age, who retired some years ago, committed suicide Sunday by years ago, committed suicide Sunday by shooting himself in his home in Chicago. Mr. Johnson started his insurance career as a supply clerk for Manager David Beveridge in the western department of the Niagara Fire in Chicago in August, 1880. He went through the various positions in the office, finally working under Manager I. S. Blackwelder. He became special agent for Illinois in 1894 and later was made state agent. He married Miss Margaret Tiffany, who was assistant secretary of the Illinois State Board, and went on a trip for a couple of years. He returned to work as Illinois state agent for the Philadelphia Underwriters in May, 1912. He retired again from field work and lived most of the year in Florida. He later returned to do special work for the North America. Subsequently he retired from business owing to his wife's conshooting himself in his home in Chicago.

dition. Mr. Johnson undoubtedly had been under great stress and strain due to the fact that Mrs. Johnson is a helpless invalid and his finances were in a large president. precarious state. He was president of the Illinois State Board for two terms.

F. J. Greer, vice-president Monarch Fire of Cleveland, and Mrs. Greer left last week for a motor trip to California They plan to return to Cleveland by plane.

William G. Ward, Alabama special agent for the Fireman's Fund, is recovering following an operation for appen-

C. F. Dieter, manager of the Eichlitz Insurance Agency, San Antonio, Tex, and president of the San Antonio chapter of the National Aeronautic Association, went by airplane to attend the funeral of his mother, Mrs. Michael Dieter, at Lombard, Ill.

Insurance Director Herdman of Nebraska is back in the hospital at Omaha, from which he was discharged two weeks ago, suffering from a severe heart attack. Physicians say that he undertook too violent physical exercise after he left the hospital.

D. E. Murphy, assistant secretary of the Western & Southern Fire, was mar-ried Saturday to Miss Ruth Cohen, whose father is connected with the sal-vage corps in Cincinnati. Miss Cohen was, prior to her marriage, secretary to Mr. Murphy.

Lloyd B. Beattie, special agent Home of New York in Seattle, Wash., was married recently to Miss Jeannette Sandvig of Seattle. Their honeymoon was spent in San Francisco.

Robert S. Aitken, special agent American of Newark group at Spo-kane, Wash., underwent an operation for acute appendicitis.

Roy F. Owen, well-known Portland adjuster, has been appointed official investigator of disputed complaints arising under the NRA in Oregon.

Robert Hosmer, Jr., son of the vice-president and general manager of the Excelsior of Syracuse, has returned from a trip around the world on the "Steel Scientist," as an ordinary seaman.

William Hall, Jr., of the Herberich-Hall-Harter agency of Akron, O., was marooned in Corpus Christi, Tex., in the recent storm. He went to that city to handle the insurance on a new plant being constructed by one of the tire companies. He went by plane from Chicago to Dallas.

G. A. Madison, for the past 18 years chief of the St. Louis fire prevention bureau, died last week. He joined the fire prevention bureau about 35 years

Harold Warner, United States manager of the Royal-Liverpool group, accompanied by Mrs. Warner and their younger daughter, arrived home from Europe Wednesday of this week.

R. T. Huggard, veteran Ohio state agent of the Great American, is spending a few days in Chicago, visiting the world fair.

Fred W. Bowers, former Missouri state agent of the Phoenix of Hartford and later executive of the group at Hartford in charge of the middle west, with Mrs. Bowers is visiting the world fair in Chicago. Mr. and Mrs. Bowers now reside at Babson Park, Fla.

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AMERICA FORE STATEMENTS SHOW AMERICA FORE STRENGTH

(STATEMENTS AS OF JUNE 30th, 1933)

	Gross Assets *	Reserve for Unearned Premiums	Reserve for Losses and All Other Claims	RESERVE FOR ** CONTINGENCIES	Cash Capital	SURPLUS FOR POLICYHOLDERS
Continental	\$81,971,644	\$22,147,000	\$6,100,652	\$14,000,000	\$4,873,990	\$39,723,992
Fidelity-Phenix	64,799,255	17,419,204	4,942,755	12,500,000	3,464,825	29,937,296
Niagara	21,439,117	5,946,956	1,173,923	2,700,000	2,000,000	11,618,238
American Eagle	12,563,573	3,687,686	868,564	775,000	1,000,000	7,232,323
First American	3,981,415	898,119	193,106	450,000	1,000,000	2,440,190
Maryland	2,746,042	357,344	67,015	475,000	1,000,000	1,846,683
Fidelity & Casualty	38,167,624	11,677,710	15,008,556	4,900,000	2,250,000	6,581,358

^{*} Bond and Stock valuations on basis approved by National Convention of Insurance Commissioners.

Emestrum.

Chairman of the Boards.

The AMERICA FORE GROUP

THE CONTINENTAL INSURANCE COMPANY AMERICAN EAGLE FIRE INSURANCE COMPANY FIDELITY-PHENIX FIRE INSURANCE COMPANY FIRST AMERICAN FIRE INSURANCE COMPANY

Eighty Maiden Lane,



PROVED BY THE ACID TEST OF TIME

of Insurance Companies

NIAGARA FIRE INSURANCE COMPANY
MARYLAND INSURANCE COMPANY OF DELAWARE
THE FIDELITY AND CASUALTY COMPANY
ERNEST STURM, Chairman of the Boards
BERNARD M. CULVER. President

New York, N.Y.

NEW YORK

CHICAGO

SAN FRANCISCO

ANTA

MONTREAL

^{* *} Reserve for Contingencies represents the difference between the market quotations as of JUNE 30, 1933 and the values approved by the National Convention of Insurance Commissioners for bonds and stocks carried in assets in this statement.

FIRE INSURANCE NEWS BY STATES

MIDDLE WESTERN STATES

Minot Board Warns Carriers | Wisconsin Dates Are Changed

Agents' Body, in Message to Companies, Cites New Provisions of N. D. Resident Agency Law

The Insurance Agents Association of Minot, N. D., has sent to companies and field men a communication, containing copy of the recent amendment to the North Dakota resident agency act and an opinion by Deputy Commissioner A. R. Aslakson as to the effect of this amendment.

The original law was passed in 1913, but prior to the amendment of the law, the insurance department held that a field man could countersign policies for his company, brokers and agents outside the state controlling lines in North Dakota.

The letter from the Minot association to the companies states: "We call your attention to these provisions and will consider your evasion of these laws an extremely unfriendly act on your part and will treat them accordingly."

Principal Provision

The principal provision of the amendment is: "No insurance or surety com-pany shall do business in this state expany shall do business in this state ex-cept through its authorized agents who must be residents of and have their of-fice or place of business in this state. All policies of insurance issued in this state shall be countersigned by such agents who shall be paid the full com-panyable by such company. All mission payable by such company. All policies or surety bonds not written in accordance with the foregoing provision shall be deemed a violation of this ar-

Deputy Aslakson states: "In making this amendment, we believe it was the intention of the legislature merely to exthe the requirement for counter signature of policies to surety bonds. We are not fully informed as to the manner in which the requirement that full comwhich the requirement that full com-missions be paid to local agents may be violated by either the fire insurance companies or surety companies. At this time we feel that the department must time we feel that the department must take the position that since the law requires counter signature and payment of full commissions to local agents, the company should be required to abide thereby. If you have specific instances of violation we would be pleased to have you refer them to us for our consideration."

The Minot association has been years.

The Minot association has been very active since its establishment in June of last year. It established the 45-day rule for collection of premiums and set up a central reporting bureau to which all agents report delinquents. Other members of the association are advised as to the delinquents, the name of the agent who canceled and the amount of money owing the agent. The delin-quent can then obtain no insurance from any member of the association until he

any member of the association until he has paid the pro rata earned premium to the agency canceling the policy.

The Minot association also conducted a reciprocity campaign. At the time the new rule regarding payment of cigarette burns was promulgated, the Minot association published an advertisement resident this rate incompanion. garding this and since then no member of the association has had a claim submitted for a cigarette burn.

Walts Open Agency

F. E. Walt, former president Union Fire of Nebraska, and his son, E. K. Walt, have opened a general insurance agency at 910-911 Federal building, Lin-

Agents' Association to Hold Meeting at Fond du Lac Oct. 24-25 Instead of Oct. 9-10

MILWAUKEE, Sept. 13.—Dates for the annual convention of the Wisconsin Association of Insurance Agents, to be held at the Retlaw Hotel in Fond du Lac, have been changed to Oct. 24-25. Last week officials had decided upon Oct. 9-10, as the dates, preliminary to the Chicago convention of the National Association of Insurance Agents, Oct. 11-13. Since a meeting of state officers and national councillors will be held in Chicago Oct. 10, the Wisconsin association officials decided to postpone their meeting to enable them to attend the Chicago meeting, at which the question of contractual relations will be an im-

of contractual relations will be an important topic.

At a meeting attended by W. C. Thornton, president Fond du Lac board and a vice-president of the state association; W. J. Tucker, Beloit, president; Secretary J. G. Grundle, W. B. Calhoun, chairman of the executive committee, and other state officials, the post-ponement was decided upon. Preliminary plans for the convention provide for business sessions Tuesday afternoon and Wednesday morning, with the anand Wednesday morning, with the annual banquet Tuesday evening. A golf tournament will be held at Takodah Country Club the morning of the first day and afternoon of the second day, with automobile trips and other entertainment for those not taking part in the golf tournament and for the ladies accompanying the agents.

Automatic cancellation clauses for fire and casualty insurance policies, applica-tion of the NRA to agencies and many other important current problems of insurance agents will be discussed

Democrats Get the Plums

Indiana Will Hand Out State Insurance and Contract Bonds as Political Patronage

INDIANAPOLIS, Sept. 13.—Much interest is being taken here in the announcement that Democratic local agents will be favored with any contract bonds running to the state or any insurance the state has to place. This feature is added to the regular Democratic patronage. A systematic method of distribution has been set up with a card index file in the office of Insurance Commissioner Mc-Clain. The Democratic local agents in each county were secured from the county chairman. When any bond is to be written or insurance comes up for renewal one of the agents will be selected to handle the business

The agent is selected through Pleas Greenlee, the governor's secretary, who is in charge of the dispensation of patronage. Commissioner McClain says that the administration has decided not to owned automobiles, inasmuch as the state can not be sued for damages. Mr. Greenlee said this week: "Formerly the Republicans permitted a few insurance men, largely in Indianapolis, to have all the state business. We intend to spread the benefits around and incidentally it will go to Democrats."

May File Two Policies

motor carriers the operators may file two or more insurance policies. The law provides that the carrier must have on file with the service commission "a good and sufficient indemnity bond, policy of insurance or other contract" against the liability prescribed by the section.

A problem was involved because few companies are authorized to write protection against all of the liabilities mentection against all of the liabilities men-tioned in the act, since the fire com-panies cover only damage to property and other companies only damage to persons. The law, however, specified that the protection be all in one policy. K. H. Trainor, chief of the motor transportation division of the public service commission, states that so long as the provisions of the law requiring the filing of these bonds, policies or

the filing of these bonds, policies or other contracts are complied with, the commission would have no objection to two or more policies being filed.

Nicholson Talks at Hustisford

HUSTISFORD, WIS., Sept. 13.-R HUSTISFORD, WIS., Sept. 13.—R.
L. Nicholson, Milwaukee, state agent
Michigan Fire & Marine, addressed the
September meeting of the Dodge
County Association of Insurance
Agents here Monday night on "The
Gift of Prometheus." Mr. Nicholson
discussed the development of stock fire
insurance and what it has and is doing
for the people of the nation.
H. A. Bird, Beaver Dam, vice-president Wisconsin Association of Insurance Agents, discussed plans for the
state association's annual convention in
Fond du Lac, Wis., Oct. 24-25.

St. Paul Elevator Loss

The Farmers Union Terminal Elevator of St. Paul, which was damaged by fire Monday of this week, was insured in the Excess Agency, an instrumentality of the mill mutuals. The damage seems to have been pretty largely confined to the skeleton frame iron-clad gallery surmounting a battery of 20 closed. lery surmounting a battery of 20 closed-top, flat-bottom concrete tanks. Much of the grain was reached by water but the expectation is that this can be dried and salvaged. The elevator is owned by the Farmers National Grain Corpora-tion, which was financed by the farm

Few Iowa Agencies Trusteed

Contrary to the situation in many other states, the number of trusteed agencies in Iowa is very small, some field men estimating the number at only 15. That does not mean that the Iowa 15. That does not mean that the Iowa agents have been better pay than agents in other states. The field men in that state merely decided that the system of trusteeing agencies was cumbersome and would not prove satisfactory. Therefore, trusteeships have been avoided as much as possible.

The large majority of the agencies in Iowa are comparatively small and therefore would not justify a trustee arrangement. The larger agencies in that state

ment. The larger agencies in that state have fared pretty well and those that have gotten into difficulty have been ment. consolidated or sold.

Farm Loss Ratio 102 Percent

MADISON, WIS., Sept. 13.—The average farm fire loss ratio in Wisconsin the last five years has been 102 per-cent, according to insurance department figures. In 1927 it was 100.3 percent; in 1928, 97.2 percent; 1929, 91.2 percent; 1930, 110.21 percent, and in 1931, 112.7

It is expected that this year the loss will be greatly reduced, because the com-The public service commission of Wisconsin has ruled that to comply with the recently enacted statute regulating losses this year to June 30 were \$17,000 compared with \$50,000 for the same period last year.

Asks Receiver for Agency

A suit seeking appointing of a receiver for the Wise agency of St. Louis and a judgment for \$10,049 has been filed in the St. Louis circuit court by the Laclede agency company and the Commercial Standard. The petition alleges that the Wise agency owes the Commercial Standard \$8,249 and the Laclede agency \$1,800 for unpaid are mijume.

mercial Standard \$8,249 and the Laclede agency \$1,800 for unpaid premiums.

C. E. Wise states the account mentioned are in dispute. The petition stated that the Wise agency, as such, had ceased to exist and that Wise has organized the Wise-Deck agency.

Fulmer Organizes Agency

T. B. Fulmer, Sr., of Cleveland, who has been with the Travelers for a number of years, has resigned and organized the Fulmer Company with his sons, T. B. Fulmer, Jr., Cleveland, and D. D. Fulmer, Columbus, O., both of whom will continue their connection with the Travelers.

Martin Is Ticket Winner

The reservation of J. Edward Martin of Peoria, Ill., for the meeting of the National Association of Insurance Agents being the first to be opened this week by the Chicago convention committee, he was awarded a book of 10

With an educational and inspection campaign, the Michigan Fire Prevention Association will inaugurate the 1933-1934 season at South Haven, Sept. 20.

Southern States Local News

Storm Loss Figures Revised

Insurance Loss in Rio Grande Valley Is Now Estimated at More Than \$5,000,000

First estimates that the storm in the Rio Grande Valley would cause little insurance loss were later discredited when F. E. Holmes, assistant general manager of the southwestern department of the Fire Companies Adjustment Bureau, reported that the insurance loss would be in excess of \$5,000,000. More than 4,000 dwellings are reported to have been destroyed and 8,000 badly damaged. Insurance loss on these dwellings is set at from \$3,000,000 to \$3,500,000. Insurance loss on mercantile buildings and stocks, special hazards and other classes may run to more than \$2,000,000.

One reason why the loss was at first underestimated is that companies overlooked much business in the affected territory written elsewhere under report-

ing covers and other forms.

Considerable windstorm business was placed on the Texas coast at inland rates, which are lower than coast rates, until the windstorm tariff was placed under state control about two years ago. This business is reported to have renewed satisfactorily, although in the last two years the companies have been com-

The loss because of the storm on the east coast of Florida is estimated by Harry E. Parker, manager of the Miami branch of the Fire Companies Adjustment Bureau, at about \$200,000. The ment Bureau, at about \$200,000. The stricken area extended from Lake Worth to Melbourne, with the heaviest damage at Palm Beach and West Palm Beach. Many claims will be eliminated because of the \$100 deductible provision, he said.
Insurance loss in the Point Lookout

- LOYALTY GROUP -

JOHN R. COONEY, Vice Pres. ARCHIBALD KEMP, Vice Pres. HERBERT A. CLARK, Vice Pres. H. R. M. SMITH, Vice Pres. W. E. WOLLAEGER, Vice Pres. HERMAN AMBOS, Vice Pres. E. G. POTTER, 2d V. Pres. W. W. POTTER, 2d V. Pres. OLIN BROOKS, 2d V. Pres. OLIN BROOKS, 2d V. Pres. FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY \$ 9,397,690.00 Organized 1855 NEAL BASSETT, Chairman of Board HENRY M. GRATZ, President JOHN R. COONEY, Vice Pres. ARCHIBALD KEMP, Vice Pres. HERMAN AMBOS, Vice Pres. E. G. POTTER, 2d Vice Pres. W. E. WOLLAEGER, Vice Pres. HERMAN AMBOS, Vice Pres. E. G. POTTER, 2d Vice Pres. OLIN BROOKS, 2d V. Pres. OLIN BROOKS, 2d V. Pres. THE GIRARD FIRE AND MARINE INSURANCE COMPANY \$ 1,000,000.00 Organized 1853 NEAL BASSETT, President JOHN R. COONEY, Vice Pres. ARCHIBALD KEMP, Vice Pres. HERBERT A. CLARK, Vice Pres. HERMAN AMBOS, Vice Pres. E. G. POTTER, 2d V. Pres. W. W. POTTER, 2d V. Pres. W. W. POTTER, 2d V. Pres. OLIN BROOKS, 2d V. Pres. THE MECHANICS INSURANCE COMPANY OF PHILADELPHIA \$ 600,000.00 Organized 1854 JOHN R. COONEY, Vice Pres. ARCHIBALD KEMP, Vice Pres. HERMAN AMBOS, Vice Pres. E. G. POTTER, 2d V. Pres. W. E. WOLLAEGER, Vice Pres. HERMAN AMBOS, Vice Pres. E. G. POTTER, 2d V. Pres. W. W. POTTER, 2d V. Pres. OLIN BROOKS, 2d V. Pres. NATIONAL-BEN FRANKLIN FIRE INSURANCE CO. OF PITTSBURGH, PA. \$ 1,000,000.00 NEAL BASSETT, President

HERBERT A. CLARK, Vice Pres.

HERMAN AMBOS, Vice Pres.

E. G. POTTER, 2d V. Pres.

T. LEE TRIMBLE, 2d V. Pres.

OLIN BROOKS, 2d V. Pres.

SUPERIOR FIRE INSURANCE COMPANY \$ 1,000,000.00 Organized 1871 NEAL BASSETT, Chairman of Board W. E. WOLLAEGER, President
H. R. M. SMITH, Vice Pres.
WALTER J. SCHMIDT, 2d V. Pres.

W. E. WOLLAEGER, President
HERMAN AMBOS, Vice Pres.
E. G. POTTER, 2d V. Pres.

T. LEE TRIMBLE, 2d V. Pres.

W. W. POTTER, 2d V. Pres.
OLIN BROOKS, 2d V. Pres. THE CONCORDIA FIRE INSURANCE COMPANY OF MILWAUKEE \$ 1,000,000.00 Organized 1870 CHARLES L JACKMAN, President

JOHN R. COONEY, Vice Pres.

W. E. WOLLAEGER, Vice Pres.

HERMAN AMBOS, Vice Pres.

T. LEE TRIMBLE, 2d V. Pres.

THE CAPITAL FIRE INSURANCE COMPANY

NEAL BASSETT, Vice Pres. H. R. M. SMITH, Vice Pres.

HERBERT A. CLARK, Vice Pres.

HERBERT A. CLARK, Vice Pres.

W. W. POTTER, 2d V. Pres.

OLIN BROOKS, 2d V. Pres. \$ 300,000.00 Organized 1886 NEAL BASSETT, Vice President UNDERWRITERS FIRE INSURANCE CO. OF CONCORD, N. H. \$ 100,000.00 Organized 1905 NEAL BASSETT, President

JOHN R. COONEY, Vice Pres. ARCHIBALD KEMP, Vice Pres. HERBERT A. CLARK, Vice Pres. H. R. M. SMITH, Vice Pres.
W. E. WOLLAEGER, Vice Pres. HERMAN AMBOS, Vice Pres. E. G. POTTER, 2d V. Pres.
W. W. POTTER, 2d V. Pres.
U. W. W. POTTER, 2d V. Pres.
OLIN BROOKS, 2d V. Pres. MILWAUKEE MECHANICS' INSURANCE COMPANY Organized 1852 NEAL BASSETT, Chairman of Board

J. SCOFIELD ROWE, Vice Chairman

H. S. LANDERS, President

J. C. HEYER, Vice President

J. ROAN, 3d Vice Pres.

T. A. SMITH, Jr., 3rd Vice Pres.

F. J. ROAN, 3d Vice Pres. THE METROPOLITAN CASUALTY INSURANCE COMPANY OF NEW YORK \$ 1,000,000.00 Organized 1874 NEAL BASSETT, Chairman of Board H. S. LANDERS, President
E. G. POTTER, 2d Vice Pres.

WINANT VAN WINKLE, Vice President
J. C. HEYER, Vice President
J. A. SMITH, 3d Vice Pres.

WINANT VAN WINKLE, Vice President
J. C. HEYER, Vice President
JOHN R. COONEY, Vice President
T. A. SMITH, 3d Vice Pres.

FRANK J. ROAN, 3d Vice Pres. E. R. HUNT, 3d Vice Pres. S. K. McCLURE, 3d Vice Pres. COMMERCIAL CASUALTY INSURANCE COMPANY Organized 1909 \$ 1,000,000.00 PACIFIC DEPARTMENT WESTERN DEPARTMENT 220 Bush Street, San Francisco, California W. W. & E. G. POTTER, 2nd Vice Presidents 844 Rush Street, Chicago, Illinois HERBERT A. CLARK, Vice President H. R. M. SMITH, Vice President JAMES SMITH, Secretary EASTERN DEPARTMENT 10 Park Place

461-467 Bay St., Toronto, Canada MASSIE & RENWICK, Ltd., Managers

CANADIAN DEPARTMENT

NEWARK, NEW JERSEY

FRED W. SULLIVAN, Secretary

SOUTH-WESTERN DEPARTMENT 912 Commerce St., Dallas, Texas OLIN BROOKS, 2d Vice President BEN LEE BOYNTON, Res. Vice President A. C. MEEKER, Secretary

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section of Maryland in the recent storm is estimated at about \$150,000. Difficulty is encountered in determining whether losses in that storm were caused by the wind or by water blown in by the storm.

The Fire Companies Adjustment Bureau has 24 adjusters in Texas. A branch has been opened at Harlingen and others will be established. No losses have been reported from Bay City, Freeport or Taft and claims from Corpus Christi will be light.

Big Drop in New Orleans Losses

NEW ORLEANS, Sept. 13.—Fire losses in New Orleans the first six months of 1933 are reported as \$235,817, compared with \$788,839 for the same period of 1932, by H. A. Steckler, chair-

man of the fire prevention committee of the Association of Commerce. The decrease was brought about largely, in the opinion of the committee, by the good work of the fire department as reflected in the average loss per fire. Fires in vacant buildings decreased from 51 to 14, and suspicious or incendiary fires from 57 to 34.

Smith Is Alabama Secretary

Full-time Executive of Birmingham Board Takes Over Similar Duties for State Association

BIRMINGHAM, ALA., Sept. 13.— Frank H. Smith, full-time secretarytreasurer of the Birmingham Association of Insurance Agents, has also been named to the same position with the Alabama Association of Insurance Agents. He will divide his time between the two associations as necessary to keep up the organization work.

Mr. Smith is widely known in Alabama insurance circles. He was for

Mr. Smith is widely known in Alabama insurance circles. He was for eight years special agent of the Home group. For four years he was a local agent in Birmingham and previous to that time was with the Alabama Inspection & Rating Bureau.

Enoch Morris of Birmingham, who has served the Alabama association for two terms as part-time secretary-treasurer, was warmly praised for his effi-

Enoch Morris of Birmingham, who has served the Alabama association for two terms as part-time secretary-treasurer, was warmly praised for his efficient work by President W. W. Croom, in turning over the duties of his office to Mr. Smith. Mr. Morris, with W. C. Green, recently established his own local agency in Birmingham.

Background of San Antonio Agency Litigation Is Given

The circumstances that prompted four non-exchange local agencies in San Antonio to secure an injunction against the San Antonio Insurance Exchange and the Floyd West & Co. general agency of Dallas seem to have developed as the result of a resolution adopted at the convention of the Texas Association of Insurance Agents at Corpus Christi in May of this year. That resolution was to the effect that Floyd West & Co. was not cooperating and was out of line in certain respects.

& Co. was not cooperating and was out of line in certain respects.

Thereafter Floyd West & Co. undertook to get back into the good graces of the organized agents and requested their local agents to file application for membership in the San Antonio Insurance Exchange. Floyd West & Co. gave notice of intention to bring all of their agents into the exchange.

their agents into the exchange.

Thereupon the four local agents who report to Floyd West & Co., obtained a temporary injunction to restrain the San Antonio exchange from conducting an alleged boycott against them and also an injunction against Floyd West & Co. prohibiting the canceling of their contracts.

Nature of the Southern Trust Company at Issue

The Tennessee Association of Insurance Agents, in censuring three companies for planting with the Southern Insurance Agency of Nashville, did so on the grounds that the parent organization of this agency, the Southern Trust Company of Louisville, is a financial institution. The Southern Insurance Agency of Nashville is a branch of the Southern Insurance Agency of the Southern Trust Company of Louisville, both being subsidiaries of the Southern Trust Company of Louisville.

ance Agency of Nashville is a branch of the Southern Insurance Agency of Louisville, both being subsidiaries of the Southern Trust Company of Louisville. Apparently there is a question whether the Southern Trust Company is a financial institution in the meaning of the conference agreement. There are those who contend that it is not, but that it merely makes and services loans for the Metropolitan Life.

merely makes and services loans for the Metropolitan Life.

The Nashville Insurance Exchange took up the question last April.

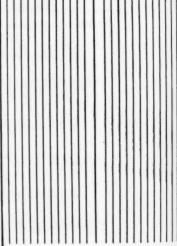
Schedule of New Orleans Course

The second year fire insurance course of the Insurance Institute will be conducted at New Orleans beginning Oct. 3 by the Louisiana Blue Goose. The course will continue through March 6 and examinations begin April 9. Students who attended the Louisiana pond's classes last year will be enabled to continue their work toward an institute certificate.

Among the lecturers are: A. G. Whitelaw, Commercial Union; A. A. Moreno, Lemle & Moreno; E. P. Deutsch, Deutsch, Kerrigan & Burke; R. H. Colcock, Jr., Liverpool & London & Globe; J. F. Miazza, Sr., New Orleans Adjusting Company; Edward Bourne, Fire



AGENCY COMPANY



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Companies Adjustment Bureau; R. P. Strong, Louisiana Rating & Fire Prevention Bureau; S. L. Webb, Fidelity & Guaranty Fire; W. J. Gayle, Louisiana Rating & Fire Prevention Bureau; Kingston Pickford, Globe & Rutgers; C. P. Holmes, Northwestern University; Floyd Wheeler, Mississippi Rating Bureau; W. P. Bush, Hartford Fire, and C. R. Hebble, Fire, Casualty & Surety Bulletins.

Non-Boarders Name Officers

LOUISVILLE, Sept. 13 .- The new organization of non-board agents in Louisville, recently formed under the title of the Louisville Bureau of Fire Insurance Agents, is to meet shortly to pass on a constitution and by laws now being drafted.

being drafted.
Temporary officers are: C. C. Hagney, Hagner Insurance Agency, president; Shirley Lawrence, Lincoln Bank & Trust Co., vice-president; T. H. Butler, Peter & Butler Insurance Agency, secretary-treasurer.

Agency Changes in Richmond

W. H. Sanders, formerly manager of the insurance department of Allan, Snead & Whittet, Richmond, Va., has organ-ized his own agency as W. Hugh San-ders & Co. Mr. Sanders is president; J. H. Dineen, Jr., vice-president; W. D.

Anderson, secretary.
Goddin & Claiborne, Richmond local
agency, has taken over the insurance
business of A. D. Smith & Co., a realty firm which had an insurance department. Companies in the office were the Na-tional-Ben Franklin, Mercury and New

Limit on Mutual Cover

RICHMOND, Sept. 13.—Attorney General Saunders of Virginia holds pub-lic school property in this state may be insured in mutuals which do not require policyholders to become members of the company and whose assessments are limited to a certain additional premium. But such property, in his opinion, can not be insured in mutuals in which there

is an unlimited power of assessment so that any amount, however large, such as may be necessary to cover losses, may be assessed against the policyholder.

Florida Agents Optimistic

WEST PALM BEACH, FLA., Sept. WEST FALM BEACH, FLA., Sept.

13.—A general summary on business just issued by the state chamber of commerce quotes W. P. Fischer, president of the Florida local agents' association, to the effect that agents throughout the state feel very much encouraged, with state feel very much encouraged, with outlook for more new business than at any time since 1929. This, Mr. Fischer thinks, "is due to replenishing of stocks, appreciation in values, increase in commodity prices and the general increase in the income of property owners."

No Mississippi Rate Raise

JACKSON, MISS., Sept. 13.—Following its annual meeting, the Mississippi Insurance Commission announced that there would be no rate increase in that there would be no rate increase in the state for the next 12 months. As a result of the improved loss ratio, the companies did not ask for an advance in tariffs. Four fire companies withdrew from Mississippi during the year, leaving 85 operating at present.

ing 85 operating at present.

The commission announced that the hearing of rate deviations charged against the James A. Savery Agency, Tupelo, Miss., has been postponed indefinitely.

Going to Outside Brokers

JACKSON, MISS., Sept. 13.—A large volume of premiums on Mississippi cotton mill and gin risks is going to nonadmitted companies through the office of New York brokers. They do not maintain a soliciting office in the state, but do have a salaried inspector who but do have a salaried inspector, who was formerly connected with the engi-neering department of the Mississippi Inspection & Rating Bureau. He told The National Underwriter that the premium charged on mills and gins he had inspected was \$4.00 to \$4.25, and that on uninspected property the rate was \$4.50.

PACIFIC COAST AND MOUNTAIN

Watt Opens Fall Study Class

F. U. A. P. to Hold Open Sessions Once a Month-Ryan Next on Program

SAN FRANCISCO, Sept. 13.— Rolla B. Watt, insurance attorney, addressed the opening session of the 1933-1934 study classes of the Fire Under-1934 study classes of the Pacific for writers Association of the Pacific for associate members vesterday on "The

1934 study classes of the Fire Underwriters Association of the Pacific for associate members yesterday on "The Fire Insurance Contract." It is planned to hold similar open lecture meetings on the first Tuesday of each month.

The first class for juniors in the present course will be held Sept. 19 with T. F. Ryan, assistant secretary and statistician of the Fireman's Fund, as instructor on "Insurers." On Sept. 26 the intermediate group will consider "Building Construction." The first class for seniors will be held Oct. 3 when H. B. Mariner, assistant manager American, will discuss "The Policy." Mr. Mariner will speak on the same subject again on Oct. 19.

Subjects for the Tuesday afternoon lectures which will run to March 6, include "Special Hazards." "Fire Prevention," "Rating," "Underwriting and Reinsurance," "Side Lines" and "Loss Adjustments." Examinations will be held April 9,

Canadian Companies Open

have opened United States branch of-fices at 703 Lane Mortgage building, Los Angeles, following an extended visit to the southern California terri-tory by J. A. Dowler, secretary. M. S. Swan, former special agent in southern California for the General of Seattle group, has been appointed branch secretary in charge of the new office.

Non-board fire and non-conference automobile coverages will be written for the present, although it is planned by officials to write all casualty lines as soon as the companies are thor-oughly situated in the states.

Colridge in Southern California

Frank Colridge, executive secretary of rank Collinge, executive secretary of the California Association of Insurance Agents, is in southern California, visiting several hundred new members. While in the south, Mr. Colridge will spend some time in Pasadena in connection with plans for the annual convention which is to be held there November 2.10.

Managing Board Reelected

DENVER, Sept. 13 .- All members of the managing committee of the Mountain States Inspection Bureau were re-elected at the annual meeting, including A. T. Bailey, Pacific Coast manager North British & Mercantile; E. T. Canadian Companies Open
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eral agent North America, and E. A. Henne, vice-president America Fore, all of Chicago, and W. D. Williams, Rockford, Ill., western manager Security of New Haven.

H. P. Ruthenberg Transferred

H. P. Ruthenberg of Denver, arson special agent of the National Board, is being transferred back to the New York office. He drafted the Colorado arson law which was enacted by the legislature last winter, and during his two years in the mountain field has been especially successful in securing the cooperation of city and county officials in organizing to curb crime.

headquarters at Great Falls, Mont. The Washington and Idaho territory is in charge of Capt. W. A. Groce, former Washington state fire marshal, with headquarters in Spokane.

Coast Notes

Robert Kellam, Seattle local agent, died suddenly while undergoing an operation.

ation.

A. J. Violette, 60, prominent Missoula,
Mont., local agent, died suddenly while
talking with friends. For a number of
years he was associated with the late
D. H. Ross in the Ross & Violette agency.

Miscellaneous Notes

city and county officials in organizing to curb crime.

National Board Coast Changes

Sam R. Waugh, special agent for the National Board, will hereafter be in charge of Montana and Wyoming, with Montane Mon

Eastern States Activities

Eastern Officials Optimistic

Although Premiums Have Not Increased, Cancellations Have Been Checked-Losses Are Lower

PHILADELPHIA, Sept. 13.-Fire company officials here are hopeful regarding the future although there has been no noticeable increase in premiums. Department stores, small shop owners and manufacturers had not in-creased their present fire coverage due has had any effect along this line. They

to increased stocks, except in isolated

However, the fact that cancellations have been checked is viewed as an indication of a turn for the better in general business conditions by company of

They point out that the premium volume did not begin to show an alarming drop until a number of months after the depression had set in. As the fire insurance business was one of the last to feel the depression, it will also be one of the last to feel a business up-turn. Most of the executives declared that it would be six months before the

business revival would begin to be re-flected in an increased premium volume. The company officials are gratified over the low loss ratio, although most do not believe that the 60-day clause

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declare that losses are just naturally lower and point out that losses generally show a decline as business conditions improve.

The Fire Association, however, gives full credit to the 60-day clause for the lower loss ratio. "The 60-day clause helped and the record shows it," said J. G. Maconachy, vice-president. "The losses started to show an improvement as soon as this legislation was enacted."

Credit Information Stressed

Important Function of New York State Local Boards-Speculate as to Department Action

ALBANY, Sept. 13.—There is considerable speculation as to what action, if any, the New York department will take regarding unpaid balances after the new ruling requiring the companies to report delinquents becomes effective Sept. 30. The prevailing impression seems to be that the department will not take any drastic action immediately but rather will study such reports for not take any drastic action immediately but rather will study such reports for accumulative facts to disclose and check up chronic delinquents. It is not be lieved that the state will do anything which might make it more difficult for agencies that have just been through the toughest period in their business history.

Many insureds have come to realize Many insureds have come to realize that by going from agent to agent after their insurance has been cancelled for non-payment they can ride free for many months. The result of this situation has been to strengthen the agents' association movement in eastern New

York. New associations have been organized in many of the smaller cities and old ones have been revived.

It is coming to be the rule that one of the principal functions of these local

of the principal functions of these local associations is dissemination of credit information. The plans adopted have been generally satisfactory but many of the associations are studying carefully plans that have been used successfully in other fields.

Of course, there is still some agitation among the agents for doing away with credit entirely and putting business on a cash basis, but it is not believed that this is likely to be accomplished. It is unquestionably true, however, that all this emphasis on delinquency has brought some careless agents to their senses, with the result that unpaid balances have been lessened in the agregate and many agencies, as well as companies, are strengthening their financial condition. nancial condition.

Appraise Schools at Charleston

CHARLESTON, W. VA., Sept. 13.—
The Kanawha county school board has appointed D. H. Hutchison, a Charleston architect, to appraise all its school and other buildings for consideration in securing fire insurance. Five local agents headed by J. P. Rusk submitted a report on the fire insurance on school buildings. Mr. Rusk told the board that it had insurance on the school buildings to amount of \$4,530,431, and the buildto amount of \$4,530,431, and the buildings were valued at \$8,888,000, with premiums on the policies totalling \$79,704. Mr. Rusk suggested a blanket policy to provide the maximum protection at a minimum cost. The present status gives the school board 50.9 percent coverage.

Local Board at Canonsburg

The agents of Canonsburg in Washington county, Pa., have organized a local board branch of the Pennsylvania Association of Insurance Agents known Association of Insurance Agents known as the Canonsburg Association of Insurance Agents. G. M. Challener was elected president and O. D. Black, secretary. H. H. Hood, director of the Pennsylvania association, and W. A. Challener, secretary of the Washington, Pa., Association of Insurance Agents, were present at the organization meeting. tion meeting.

Essex County Board to Meet

NEWARK, Sept. 13.—The Essex County Board will hold its first meeting of the season Sept. 26, at which plans will be outlined for the fall and winter activities. Julius Klein, of Rosenthal & Klein, Newark, is president.

Will Speak to New Jersey Men

J. A. Beha, general manager National Bureau of Casualty & Surety Underwriters; Leon A. Watson, official fire rater which has this statute.

Oakland and East Bay Agents Elect Officers

OAKLAND, CAL., Sept. 13.

—The Oakland Association of Insurance Agents and the East Bay Association of Insurance Agents held a joint meeting here Monday and elected new officers. The Oakland association elected: A. C. Hoepner, president; W. F. Reichel, first vice-president; W. T. Robertson, second vice-president; E. H. Towler, secretary and E. L. Goodwin, treasurer.

The East Bay association elected H. M. Bradley, Alameda, president; F. D. Moller, Oakland, first vice-president; C. N. Johnston, San Leandro, second vice-president, and Elmer White, Oakland, secretary-treasurer.

of New Jersey, and R. N. Allen, asof New Jersey, and R. N. Allen, assistant agency superintendent of the Travelers, will be among the speakers at the annual meeting of the New Jersey Association of Underwriters at Atlantic City, Sept. 14-15.

Massachusetts Fire Marshal

S. C. Garrity of Lowell, Mass., has been appointed state fire marshal in his state. He succeeds J. M. Hurley, who was recently confirmed as state civil

Prominent Speakers Heard

The banquet speakers at the 50th anniversary meeting of the Underwriters Association of New York State Wednesday evening of this week were Paul L. Haid, president Insurance Executives Association; F. M. Smalley, president Glens Falls, and J. J. Magrath, chief of the rating bureau of the New York department.

A business meeting was held in the morning and golf tournament in the afternoon. The two oldest living exmembers of the association are H. F. Atwood, who was vice-president of the Rochester German when it was taken over by the German American, and Thomas E. Gallagher, retired western manager for the Aetna Fire.

Vermont Reinsurance Law

Comment was recently made on a new law requiring reinsurance companies new law requiring rensurance companies to file with state authorities an instrument permitting themselves to be sued directly by the assured. The statement was inadvertently made that this law had been enacted in New Hampshire. As a matter of fact, Vermont is the state which hea this extract.

MOTOR INSURANCE NEWS

NEW YORK, Sept. 13.-Though not so pronounced as some time ago, the sentiment toward increasing minimum premium under automobile fire and theft coverage from the present figure of \$5 to \$7.50 is still strong in certain quarters. Proponents argue that the record of the business justifies an advance on the class and policyholders would not quibble. On the other hand, underwrit-ers adverse to the proposal hold that to raise the minimum premium from \$5 to \$7.50 would mean a 50 percent in-crease and would antagonize many small policyholders.

Premium Proposal Opposed

Movement to Raise Minimum from \$5
to \$7.50 on Auto Fire and Theft
Questioned

NEW YORK, Sept. 13.—Though not stitutions.

Mainly from Rural Territory

In large part the small premium business comes from residents in farming communities, the assureds counting every dollar of expenditure and resenting any proposal looking to increased costs in any direction. That the mutual offices are on the alert to pick up business in any direction and the proposal from the proposal districts may be inferred from in rural districts may be inferred from the fact that in one central community of the middle west, eight solicitors have been employed by a non-stock company to make a thorough canvass of the ter-The volume of minimum premium ritory, selecting assureds of the desir-

able type and making a determined drive to write their automobile covers.

Seeking Automobile Data

NEW YORK, Sept. 13.—The National Automobile Underwriters Association has set Nov. 10 as the time limit within which company members must file with the organization the loss experience the company of th rience for the policy year Sept. 1, 1932, to Aug. 31, 1933. Blanks mailed from headquarters some time ago call for the record under fire, theft, collision and all other types of automobile coverage written by the member offices. When the complete data is received it will supply the basis for the 1934 rate manual.

Car Stolen; Sues on Fire Loss

The Pennsylvania superior court has held against the Northern of New York in an interesting automobile loss, wherein the car was stolen and subsequently found burned and abandoned and the assured sought recovery, not under the theft item, but under the fire

The theft, while leading up to and connected with the fire, is not the loss sued upon, the court held. The case was Zaffuto vs. Northern of New York. Both Zaffuto and the vendor testified

that the transaction between them was an outright, absolute sale. The court held that unpaid purchase money on the outright sale of a car, for which the dealer may choose to give the buyer credit, is not a lien or mortgage.

Kansas City Pond Again Active

The Heart of America Blue Goose at Kansas City resumed its luncheons Monday. T. W. Underwood, Chicago agency superintendent America Fore, spoke

Arrangements are being made for an outing on Sept. 23 at Lake Quirvira. The Kansas pond will join with the Heart of America pond on this occa-



IN times like these insurance agents appreciate a company which is not only financially strong, but which gives real sales help to its representatives. That is why our agents like the Twin City.



John H. Griffin, Vice Pres. & Mgr. MINNEAPOLIS, MINNESOTA

Reinsurance

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NORTH STAR INSURANCE COMPANY Fire and Allied Lines



Home Office 90 John Street, New York, U.S.A.

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The National Underwriter

September 14, 1933

CASUALTY AND SURETY SECTION

Page Twenty-three

Casualty Officials Pleased Over Pact

Two Troublesome Points Set at Rest by Marine-Transportation Definition

PROSPECT MUCH HAPPIER

Arrangement Promises to Alleviate Many Irritations Resulting from Encroachment

NEW YORK, Sept. 13.-General satisfaction is voiced by officials of casualty companies writing burglary and hold-up over the articles of agreement for interpreting and enforcing the nation-wide definition of the insuring powers of marine and transportation underwriters. While the concern of casualty men is not so pronounced as that of fire or marine underwriters, it is considerable and they are well pleased with the plan. It promises to set at rest irritations to which they have been subritations to which they have been subjected for past four years through encroachment by other divisions of insurance into lines long controlled by casualty offices, and against which they protested, finally drafting remedial legislation for the enactment of which they were prepared to push vigorously.

Two Points of Friction

One development that goaded cas ualty officials and put them into fighting mood, was the issuance by a northwestern fire company of a household resi-dence form of contract, which not only assumed liability for loss by theft of items legitimately covered, but of money carried in the home as well. In the mercantile open stock line, the same fire company, under a transport cover, granted indemnity to merchants for goods upon the shelves of their stores, a departure that under no sane process of reasoning could be termed "goods in transit."

Pleased Over Development

With the prohibition under the present arrangement of the issuance of of the forms complained of, the writing of which afforded hard competition to carriers prior to the stand taken by the insurance commissioners, casualty men feel that their pathway has been cleared of its two most serious obstacles and they are correspondingly happy over the development.

The agreement recently drafted by a joint committee of fire, marine and casualty company officials, to which signa-tures are now being sought, it is gen-erally felt merits and will have the sup-port of casualty, fire and marine officials throughout the country.

R. L. Stevens and J. L. Ridley, New Jersey receivers for the Lloyds of Amer-ica of New York, have also been ap-pointed receivers for the General In-demnity.

State Official Criticises Technical Claim Defense

CREATES PUBLIC ILL-WILL

New York Deputy Superintendent in Address Before International Claim Association

There appears to be a growing tendency on the part of some companies to interpose technical defense for the to interpose technical detense for the purpose of defeating meritorious claims, R. M. Clark, deputy insurance super-intendent of New York and former insurance editor of the "United States Daily" stated in his address before the International Claim Association in At-

lantic City this week.

He said the standard provisions in accident and health policies were wisely adopted as they made available to companies many avenues of defense against spurious claims, but on the other hand technical defenses under the provisions should not be resorted to in order to defeat legitimate claims.

May Be Faulty Underwriting

He hazarded the opinion that in many cases the fundamental difficulty is faulty underwriting at the inception of the contract. Mr. Clark said if this be true the solution obviously is improvement in underwriting practices rather than a policy of letting the claim adjuster at-tempt to pull the underwriter's chest-nuts out of the fire. If a company accepts a risk and continues the policy in force it should not attempt to get out of a bad bargain by practices which must inevitably bring it into disrepute, he said.

Claim men should bear in mind the part they play in shaping and guiding the public viewpoint toward insurance. When a loss occurs and the assured then learns for the first time his claim is not covered, the natural instinct is to feel he has been misled or tricked and he becomes antagonistic toward insurance and broadcasts his opinion. The agency forces should be instructed to make sure that applicants for limited policies appreciate and understand their restricted scope.

Evils of Lump Settlement

Mr. Clark was firm in his belief that the so-called lump settlement is as much of an evil as a blessing in accident and health. If the assured or beneficiary is clearly entitled to indemnity, he should receive the amount promised in the contract and no company should stoop to taking advantage of the claimant's needs for funds by offering a partial lump sum for general release. A lump sum settle-ment in case of questionable claims likely to lead to litigation is entirely proper, said Mr. Clark. Mr. Clark said a company that takes

advantage of some abstruse point which is overlooked or misunderstood by an honest claimant endangers its own safety and that of insurance in general by incurring public ill will. Equity rather than a narrow legalistic construction of contractual provisions should

Complaints to insurance departments have increased greatly of recent years.

Mr. Clark stated the number of dis-

Additional Speakers for the Casualty Convention Named

GOV. WHITE, OHIO, SCHEDULED

Other Headliners at White Sulphur Meeting Will Be R. L. Lund of St. Louis, C. D. Sturdevant, Chicago

Additional speakers for the annual joint convention of the International Association of Casualty & Surety Un-Association of Casualty & Surety Uni-derwriters and the National Association of Casualty & Surety Agents at White Sulphur Springs have been announced. Governor George White of Ohio will give an address, "The Constitution and the New Deal." The convention pro-

gram has been arranged with a view of presenting a symposium on the recovery

On the morning of Sept. 26, Robert L. Lund of St. Louis, president of the National Association of Manufacturers, will discuss the recovery act. Mr. Lund was in Washington while the law was under consideration and has followed its development closely.

The agricultural adjustment act will be the subject of an address by C. D. Sturdevant of Chicago, president of the Bartlett-Frazier Company, grain mer-chants. The third speaker that morning will be Superintendent Van Schaick of New York.

On Sept. 27, in addition to Governor White, the speakers will be A. A. Ballantine of New York, former assistant secretary of the treasury, and now a lawyer. There will also be an address lawyer. There will also be an address by M. L. Brown of Boston, insurance commissioner of Massachusetts and chairman of the executive committee of the National Convention of Insurance

Insurance Men to Have Part in Safety Congress Program

Insurance people who will participate in the safety congress and exposition conducted under the auspices of the National Safety Council to be held at the Stevens hotel, Chicago, Oct. 2-6, include T. A. Horrocks, Minnesota Truck Owners Insurance Agency, Minneapolis, who ers Insurance Agency, Minneapolis, who will speak before the joint session of delivery, taxicab and bus section; A. W. Whitney, associate manager National Bureau of Casualty & Surety Underwriters, vice-president in charge of safety education; M. N. Halsey, traffic engineer National Bureau of Casualty & Surety Underwriters, who will preside over the forum on the pedestrian in traffic safety. fic safety.

putes before the New York department's complaint bureau has increased 63 percent in the last two years. the year ended June 30, 1931, the bureau acted in 2,699 cases, in the next year in 3,115 and in the year ended June 30, 1933, in 4,412 cases. New complaints are being received at the rate of approximately 100 a week. He said only a small percentage of these involve accident and health.

Claim Men Meet at Atlantic City

President Hickey Selects Causes of Troublesome Claims as Kevnote

COOPERATION STRESSED

Urges Education of Agents, Investigators and Adjusters to Create Better Public Attitude

NEW OFFICERS ELECTED

President—W. A. Dennis, Prudential. Vice-President—E, E. Elliot, Travelers Health. Omaha.

Health, Omaha.
Secretary — L. L. Graham, Business
Men's Assurance.
Trensurer—F. L. Templeman, Maryland Casualty.
Executive Committee—R. K. Metcalf,
Connecticut General, chairman; T. E.
Hickey, Metropolitan; T. W. Hislop,
Great Northern.

ATLANTIC CITY, Sept. 13.-"The causes of troublesome claims" was selected as the dominant theme of the annual meeting of the International Claim Association here this week by President Thomas F. Hickey. Mr. Hickey is superintendent of claims of the Metropolitan Life's accident and health division. President Hickey said he thought it profitable to discuss troublesome claims because in the process of dragging to the surface some of the underlying causes, ways and means might be uncovered through which some of the troubles might be eliminated.

It has been the experience of com-panies in general, said Mr. Hickey, that between 80 and 90 percent of all claims are legitimate and can be accepted and approved as presented. The claim man's problems flow from the other 10 to 20 percent and they are enough to keep him extremely busy, said Mr. Hickey. He is not concerned about fraudulent claims practiced by the out-and-out crooks. He is concerned about the grow-ing sanction and endorsement that is being stamped upon fraudulent practice by those who see the practice in operation and are in a position to discourage it. A fraudulent attempt on the funds of banks brands the actor as a criminal, he said, whether he is an employer or an outsider, be the amount large or small, but if a policyholder or beneficiary attempts to collect money from an insur-ance company on an alleged state of facts which everybody knows is not true. he never lacks for sympathizers.

Considering the high degree of integ-rity among officers of insurance com-panies, the sureness and readiness with which they meet their contractual obligations to rich and poor alike, it is often a cause of wonder what it is that en-genders in the minds of so many people (CONTINUED ON LAST PAGE)

Longer Term for Industrial Commissioners Advocated

"REASONABLE" SALARY ASKED

International Association of Industrial Accident Boards & Commissions in Annual Session

The annual meeting of the International Association of Industrial Accident Boards & Commissions is being held in Chicago this week.

The meeting was opened Monday morning with the presidential address of R. E. Wenzel, who is chairman of the North Dakota compensation bureau. He advocated a longer term of office for the commissioners, reasonable re-muneration and less influence of poli-

Mr. Wenzel pointed out some of the Mr. Wenzel pointed out some of the inequities in the administration of compensation laws and urged greater uniformity among the states in the various phases of the acts. He said it is inequitable for skilled labor to get the same benefit as unskilled labor. In one same benefit as unskilled labor. In one state, he cited as an example of inequity, the fact that the worker who loses an arm is paid the same as the widow, whose husband is killed. He pointed out how compensation benefits have not been reduced, although the premiums of the insurance carriers have been greatly reduced.

Reports of Committees

Reports of committees were heard Reports of committees were heard Monday morning and in the afternoon there were addresses by G. Clay Baker, chairman labor and industry commission of Kansas, and F. M. Wilcox, formerly chairman industrial commission of Wisconsin. On Tuesday morning there were round table discussions on the problems of exclusive state fund the problems of exclusive state fund jurisdiction and of private insurance carrier states and competitive state juris-

In the afternoon addresses were de-livered by Dr. R. G. Leland, director in-dustrial division National Safety Coun-cil, and John A. Kratz, chief vocational

rehabilitation service.

The Wednesday's session was addressed exclusively by medical men and papers were of a technical nature.

On Thursday addresses are scheduled

by Dr. E. B. Patton, director division of statistics and information of New York, C. E. Baldwin, assistant commissioner of labor statistics, P. G. Agnew, secretary American Standards Associa-tion, W. Dean Keefer, director indus-trial division National Safety Council, C. B. Boulet, safety director Wisconsin Public Service Corporation, A. McA. Keown, engineer Wisconsin industrial commission

P. J. Angsten, chairman industrial commission of Illinois, is convention chairman.

Cornelius Banquet Speaker

At the banquet M. P. Cornelius, vicepresident of the Continental Casualty, was one of the speakers. Solution of the difficulties with which compensation writing companies are confronted, he said, is as much if not more the responsaid, is as much if not more the responsibility of th state officials who pass on rates and adjust claims as it is that of the companies. The state officials, he said, should be interested in the permasaid, should be interested in the perma-nent stability of the carriers, particularly since compensation benefits are often payable over a long period of years as life time indemnities. He said there has not been enough cooperation between the companies and the state officials and he expressed the the hope that the two interests might get together, attempt to understand each oher and work for an improvement of the situation. Among the other banquet speakers were Peter B. Carey, president Chicago Board of Trade, and Victor Olander, labor leader.

Presides Over Annual Meeting of Claim Men



T. F. HICKEY

T. F. Hickey of the Metropolitan Life, president of the International Claim Association and one of the veterans of that organization, was in general charge of its annual meeting this week in Atlantic

Sale of Bankers' Blanket Bonds Shows an Increase

Because of the sharply increased rates for position fidelity bonds, surety people find there is an increased demand for bankers' blanket bonds on the part of the smaller institutions. The inof the smaller institutions. The in-creased rates for the position bonds have made such bonds plus bank rob-bery insurance as expensive and in some cases more expensive than the blanket bond. Therefore, the bankers prefer the bond. blanket bonds with their greater coverage and more flexible provisions.

The surety companies are watching closely the bank robbery feature because these losses have been heavy and there is a fear that gangsters with the liquor revenue shut off, may turn to crimes against property. The robbery business of banks in small cross read business of banks in small cross road towns is frowned upon.

A. H. Connolly, former bonding manager in Maryland Casualty's San Francisco office and later special agent for Actna Life in its Los Angeles accident department, has become associated with M. Thompson & Co., San Francisco brokerage firm.

Cash Rule of Carriers Is Improving Losses in Banks

HOLDUPS LESS PROFITABLE

Requirement in Smaller Towns Most Money Be Locked Up Is Relieving Situation

NEW YORK, Sept. 13.—Though but six weeks have elapsed since applica-tion by burglary companies of the Na-tional Bureau of Casualty & Surety Underwriters of the stipulation that banks in all communities of less than 25,000 population keep 85 percent of money insured safely locked in vaults at all times, there has been a gratifying decrease in loss record of the carriers, thus fully justifying the new regulation.

The previous practice of many smaller

banks, in keeping on counters an amount of currency far in excess of that re-quired for the ordinary day's business, was a standing invitation to holdup men to attempt a robbery, an invitation often accepted and frequently with considerable loss.

Provisions of Rule

Recognizing the unwisdom of the practice, insurance companies as of July 15 made effective the regulation limiting to 15 percent of the coverage the maximum amount of cash that could be on counters at any one time, providing that if an additional sum was needed with which to meet payroll require-ments of depositors, armed guards be stationed at vault doors, so long as these

remained open.

Though holdup men continue to oper ate and probably always will, the amount of cash they have been able to get away with under the present regu-lation has been gratifyingly less than

Plan for Annual Meeting

The surety association of Chicago and of Milwaukee held a joint outing Tues-day of this week in Milwaukee. This was a return engagement, inasmuch as a joint outing was held earlier in the summer near Chicago.

Nearly 40 Chicagoans made the trip. Everyone received a prize such as sauerkraut, pork and beans, pretzels, sausage and beer.

The annual meeting of the Chicago association will be held at the world fair late in October, the Milwaukeeans being invited.

Mannie Stevens, who has had 11 years' experience in the insurance field. has bought an interest in the Martin & Tilson Texarkana, Ark., agency, which will be known as Martin, Tilson & Stevens.

Drive to Check Fraudulent Claims Urged by Cavanaugh

SPEAKS AT ATLANTIC CITY

Lure of Easy Money Has Created Or. ganized Rings in Virtually Every Section

ATLANTIC CITY, Sept. 13.—Fraudulent claims cost insurance companies many millions every year, Maj. W. P. Cavanaugh, manager claim department, National Bureau of Casualty & Surety Underwriters, and supervisor of the ten

Underwriters, and supervisor of the ten claim index bureaus in this country, told the International Claim Association in its meeting here this week.

Casualty companies paid out last year \$305,720,578 on claims and incurred losses of \$294,623,921. He cited estimates made by authorities at various times as to what portion of this \$600,000,000 was taken by fraud. A survey of an Ohio city brought the estimate that 26 percent of the claims made there were false. Another city put the estimate at 25 percent, and a keen observer some time ago estimated that 30 persome time ago estimated that 30 percent, nearly one-third, of the claims made against the companies had some basis of fraud.

The lure of so-called easy money has The lure of so-called easy money has created organized rings or syndicates for the purpose of preying upon insurance in virtually every section of the United States, Major Cavanaugh said. In emphasizing the effect of accident frauds, the speaker mentioned the automobile insurance rates for Chicago and New York. New York City has fewer fatalities per 100,000 of population than the city of Chicago, yet New York pays \$102 for \$5,000/\$10,000 piblic liability insurance for the lightest of cars and Chicago pays \$34, a difference of nearly Chicago pays \$34, a difference of nearly 300 percent.

Cost Companies More

The difference "is because the proportion of the fewer accidents in New York City cost companies three times as much as similar accidents in Chicago. The practice of juries awarding higher receiving the proposition of the higher, excessive verdicts has something to do with it, but you will find in back of it all a system of ambulance chas-ing and of claim fraud promotion which takes in doctors, lawyers, criminal claimants and their auxiliaries. They

claimants and their auxiliaries. They compel honest motorists to pay millions of dollars a year in increased rates."

Major Cavanaugh outlined the purposes of the claim department of the National Bureau, originally organized on behalf of the member companies. Its scope has so broadened that nowadays it works with every other form of insurance and with self-insurers anxious to compate the fraud arms.

to combat the fraud army.
In Massachusetts, which has compulsory automobile insurance, a survey brought the estimate that 18,000 out of 62,000 claims were bad. The investigation conducted has been joined in by every organization subjected to claims. The result of this is that 27 lawyers have been disbarred and 53 persons have been indicted or sent to prison for fraud.

The only way to combat this evil, according to Major Cavanaugh, is for all parties in interest to cooperate, not only the insurance companies and the self-insurers, but the public itself which must pay in advanced rates for the excessive amount they compal the comcessive amount they compel the companies to pay.

Casualty Figures for June 30

(As Reported to the Georgia Insurance Department)

Company	Canital	A		Six Mos.	Six Mos.
Company	Capital	Assets	Surplus	Income	Disburse.
American Casualty\$		\$ 3,265,469	\$ 118,648	\$ 888,015	\$ 824,296
American Employers	1,000,000	7,663,833	713,181	2,784,446	2,333,365
American Mutual	200,000	18,601,251	3,841,800	4,621,266	5,296,876
Bankers Indemnity	800,000	6,311,689	1,308,387	3,001,846	1,927,197
Bankers H. & L., Ga	100,200	805,951	133,785	466,028	450,353
Central Surety	1,000,000	4,416,237	514,649	1,803,419	1,540,144
Columbia Casualty	1,000,000	5,742,020	1,214,008	671,250	819.157
Consolidated Indem	800,000	9,681,453	1,229,319	5,779,306	3,476,971
Continental Cas	1,750,000	21,103,946	2,560,637	7,284,992	6,973,626
Eagle Indemnity	1,000,000	7,456,412	1,000,000	2,025,082	1,662,019
Employers Liability	250,000	36,943,995	5.242,612	16,799,487	13,917,695
Excess	750,020	4,988,675	850,000	1,217,509	1,251,896
Fireman's Fund Indem.	1,000,000	5,857,212	1,909,088	1,952,647	1,114,424
Globe Indemnity	2,500,000	34,260,152	4,648,252	10,278,188	9,025,579
Hartford Live Stock	500,000	1,276,404	571,177	135,599	180,866
Home Indemnity, N. Y.	1,750,000	6,319,737	916,672	1,136,654	2,269,311
Industrial L. & A., Ga	260,000	1,361,405	298,782	1,227,292	1,199,462
Liberty Mutual		25,348,920	4,105,905	9,629,425	7,928,554
London Guarantee		14,684,269	1,898,471	4,355,916	4,168,534
Lumbermens Mutual		18,504,557	2,270,567	10,527,524	8,016,753
Mass. Bonding	4,000,000	17,266,512	2,000,000	7,013,751	5,687,626
National A. & H., Pa	150,000	337,020	120,058	220,039	228,404
National Casualty	750,000	2,484,428	519,853	1.024.398	973,840
New Amsterdam	2,250,000	24,533,343	1,500,000	10,901,094	7,639,235
Ocean Accident		16,912,409	3,290,761	5,935,788	5,256,260
Norwich Union Indem.	500,000	4,307,256	404.082	1,839,713	1,525,786
Pilgrims H. & L., Ga	100,000	436,046	137,409	369,268	379.825
Royal Indemnity	2,500,000	27,185,314	2,500,000	7,558,109	7,462,997
Royal Arcanum		28,665,514	-,,	2,615,357	2,389,021
		20,000,014		2,010,001	2,009,021

Long Made Coast Manager

T. A. Long, former Drake University football star, has become resident vice-president and Pacific Coast manager for the Employers Reinsurance. He joined the Employers Reinsurance only re-cently, after 10 years with the South-ern Surety and Home Indemnity. He started in insurance work as an ad-juster. 933

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Carbon Monoxide Claims Difficult

Decided Increase in Cases-Causes More Deaths Than Other Poisons

GAS CAN'T BE DETECTED

Dr. Rossiter Outlines Four Troublesome Problems at International Claim Association Meet at Atlantic City

ATLANTIC CITY, N. J., Sept. 13 .-A comprehensive discussion of troublesome claims from carbon monoxide was presented by Dr. F. S. Rossiter of the Carnegie Steel Company at the International Claim Association meeting here.

Very little authentic data has been published regarding carbon monoxide, which is one of the most important causes of accidents-more deaths resulting from it than from all other poisons combined. A decided increase in carbon combined. A decided increase in carbon monoxide cases is noted each year, due to the increased hazard from automobiles, gas engines and the greater use of artificial gas in homes, said Dr. Rositer. Over 500 fatalities occur every year in the United States in garages alone. New York City averages about these deaths aday from this gas. In three deaths a day from this gas. In Cook county, Ill., there were 6,031 carbon monoxide deaths in 16 years, 2,509 being suicides.

Can't Be Detected

Carbon monoxide is colorless and odorless and may be present without being detected. It is nonpoisonous, nonirritating and has no cumulative efnonirritating and has no cumulative effect. It combines with the blood, preventing the blood from performing its normal function of carrying essential oxygen to the tissues of the body. It is this oxygen-lack in the tissues or anoxemia that causes all the deaths in carbon monoxide gassing. The brain and nervous tissue require more oxygen than other tissues do and not being able than other tissues do and not being able to stand oxygen-lack, they naturally suffer first.

Four Troublesome Problems

There are four troublesome problems Incre are four troublesome problems in carbon monoxide claims, said Dr. Rossiter: (1) Determining whether the death is accidental or suicidal; (2) true after-effects in cases of severe gassing; (3) doubtful after-effects in cases of severe gassing; (4) the second of t

(3) doubtful after-effects in cases of severe gassing; (4) cases where some condition, due to an underlying cause, is attributed to mild gassing.

The most troublesome claims result from the inability to differentiate between accidental death and suicide. Each case must be considered individually and facts and circumstances associated with the death investigated. Even in some circumstances where the death appears circumstances where the death appears accidental, the setting and situation may have been prepared by the suicide in order to keep the family from disgrace and to solve the suicide in th and to collect the insurance.

Possibility of Brain Degeneration

In regard to claims which arise from severe gassing, after which the victim subsequently dies or suffers true after effects, Dr. Rossiter said that if the anoxemia is severe and prolonged there is possibility of a degeneration taking place in the brain, giving rise to what are apparent true after effects. Different areas of the brain have separate funcareas of the brain have separate func-tions and the form of after effects de-pends on the part of the brain affected to the extent of degeneration. The after effects manifest themselves in the form of loss of memory, paralysis, amnesia

(CONTINUED ON LAST PAGE)

Holtzman Lists Factors for Success in Production Drive

A. M. Holtzman, director of field service for the Continental Casualty, who has put on special accident and health production drives for his company in nearly all of the larger cities of the country in the last two or three years, told the Accident & Health Insurance Club of Chicago at its first fall meeting Monday of some of the basic meeting Monday of some of the basic principles involved in such drives and outlined in some detail the procedure he has followed in various cities that he has visited.

Quota Called Essential

He said that a successful production drive must be more than a mere competition between agents and must put the agent in competition with his best self. By fixing a quota or a minimum production standard, the agent is stimulated to "show you that he is better than you thought he was." He said that any agent who objects to a quota may at once be put down as mediocre. To illustrate the effect of the quota, he cited the case of the pole vaulter, who puts the stick just an inch or two higher for each trial, and then is stimulated to greater effort by his success in clearing the barrier at that height. His suggestion for fixing quotas was to take the agent's production for the past six months and then add about 20 or 25 He said that a successful production months and then add about 20 or 25 percent.

Personality, Punch Needed

He pointed out that most production drives that have failed did so because someone did not take direct charge and keep it alive. He said that the most careful attention to details is necessary and that personality and punch are more important than the plan itself in putting over curb a drive.

mportant than the plan itself in putting over such a drive.

A background must be prepared for the contest in advance. Two weeks prior to a drive every agent is required to send out letters to 100 prospective policyholders. In that connection he warned that the most wonderful preapproach letter ever devised will not take the place of a personal call and he said that the letters should be sent out so as to make such calls necessary. His suggestion was that they should be sent out at the rate of ten a day and the calls should be made about Thursday on those to whom letters had been sent on Monday.

Cash or Merchandise Prizes

In regard to the kind of prizes he offers, whether cash or merchandise, Mr. Holtzman said that it depends altogether upon the community. Generally in the smaller places merchandise prizes are most effective. He advocated sending out the prizes in advance and then telling the agent or general agent: "If you write so many appropriate it if write so many apps you can keep it. If not, send it back to the home office." As to the length of time over which a drive or contest should extend, he said that while a nation-wide contest may run 60 or 90 days, in one agency or one city, it is difficult to keep up interest for more than two weeks. Most of the drives he has conducted have been on a week basis.

He passed on one warning as a result of his company's experience in that connection. When these campaigns were first started, prizes were awarded for the largest number of applications submitted. That plan brought in a large number of That plan brought in a large number of telephone directory addresses and dead street numbers and it was found necessary to change the basis, so that the prizes would be awarded on the basis of applications paid for rather than submitted. While that reduced the number of applications, it resulted in a better grade of business, and business that stuck on the books.

In describing the methods used in his



A. M. HOLTZMAN

own campaigns, Mr. Holtzman spoke of the organization of the campaign on a military basis, each producer starting in as "buck private" and being advanced to corporal, sergeant, lieutenant, captain or even colonel, according to his production during the drive; plans used for securing prompt attendance at the morning meetings, and the sending of messages to the wives mothers or sweetmessages to the wives, mothers or sweet-hearts of the agents, telling them of prizes offered in which they will be in-terested. He also told of methods used to stimulate interest in inter-city con-

Mr. Holtzman is spending the next two weeks with the Chicago branch office of the Continental Casualty to stimulate accident and health produc-

C. H. Davis, Pacific Mutual, chairman of the program committee of the Chi cago club, presided in the absence of President Hugh Pringle of the Travel-ers, who is on his vacation.

James L. Case Will Confer with Casualty Company Men

NEW YORK, Sept. 13 .- As chairman of the automatic policy cancella-tion committee of the National Assotion committee of the National Asso-ciation of Insurance Agents, J. L. Case of Norwich, Conn., will attend a gath-ering of the executive committee of the National Bureau of Casualty & Surety Underwriters in this city Sept. 20, and discuss the merits of the cancellation proposition. Of 5,805 responses re-ceived by the National association to the questionnaire sent its members, seeking their views in the matter of policy cancellation for non-payment of premium, 4,163 favored the suggestion, while 1,206 opposed.

Iowa Federation Urged

DES MOINES, Sept. 13.—At the meeting of the Casualty & Surety Club of Des Moines this week, John T. Hutchinson, secretary Insurance Federation of America, urged the formation of an Iowa insurance federation. Representatives of the Iowa Blue Goose and Iowa Association of Insurance Agents werre present.

President K. G. Ellsworth appointed a committee of three to meet representatives of all local insurance organizations to consider the federation idea.

The election of officers will take place at the next meeting.

Underwriters Now Given Recognition

Lesson of Costly Experience on Drive for Premium Volume Well Learned

NEED QUALITY BUSINESS

Only Few Years Required for Losses to Catch Up With Careless Risk Selection

NEW YORK, Sept. 13.-Casualty company executives, as a rule, are far more appreciative today than for a long time of the work of their divisional underwriting chiefs and are disposed to give them greater authority and credit for their work.

During the days of easy money when premium income was the main objective, the agent controlling big business received all the attention at head offices. He was dined by officials and given every possible aid for securing premiums.

Underwriting Secondary

On the other hand, chief underwriters, who painstakingly prepared policy forms, analyzed classified experience preliminary to rate making, surveyed loss settlements with a view to deriving loss settlements with a view to deriving profitable lessons therefrom, were given scant praise. More often than not they were "called down" for criticising risks submitted by great "go-getters" in the agency ranks and often were compelled to accept lines against their better judgment. In effect, business producers were exalted and safe and sane under-writers harassed, until late years, when claims upon risks written during the hectic days began coming in and payments became unusually heavy.

Conservatism Rewarded

Soundly managed companies that resisted the appeal of premium volume, insisting instead upon quality business, managed to ride the depression and are still operating with ample reserves for all known or knowable liabilities, plus surpluses to take care of whatever con-tingencies may arise. Many of their competitors which were too eager for premium volume either have passed out of the picture via the receivership route, or been taken under the wing of more

fortunate companies.

As one experienced underwriter put As one experienced underwriter put it, a company may write business re-gardless of quality for two, or even three years and pile up a large income at a low loss ratio, but with the beginat a low loss ratio, but with the beginning of the fourth year the law of average will start to operate and will work at accelerated speed until its full toll is taken, by which time the company either will have gone into receivership, or its unfortunate stockholders have dipped deep into their pockets for additional surplus contributions. The truth of this observation has been driven home with telling force by happenings in the casualty field during the past 12 months. 12 months.

Kinney Opens Agency

C. M. Kinney, who resigned recently as resident vice-president of the American Automobile in Chicago, has opened his own agency with headquarters at 2017 Insurance Exchange, Chicago. He also has an office at 4753 Broadway for the convenience of north side brokers. Mr. Kinney is making a systematic at-tempt to develop a large automobile hysiness. business.

How Will U. S. Guaranty Law Affect Depository Bonds?

SURETY MEN REVIEW MEASURE

Little Hope for Success Seen in Independent Efforts by Banks Unable to Qualify

NEW YORK, Sept. 13.-With bankers of the country in opposition to cer-tain features of the Glass-Steagall bill, and particularly to its deposit guaranty division surety underwriters are spec-ulating as to what effect the new legisulating as to what effect the new legis-lation when it becomes operative at the beginning of 1934, will have upon the writing of depository bonds. Applica-tions for this coverage are being re-ceived daily, each presenting its partic-ular problem to the underwriter. Of the 17,000 banks throughout the

land, it is figured at least 8,000 will be unable to qualify for membership in the rederal Deposit Insurance Corporation, which is to guarantee individual accounts up to \$2,500 each.

Appreciating this fact, authorities of

certain states have called, or suggested calling conferences of banks of their

states to devise methods which will enable them to dispense with support of the federal guaranty arrangement. That an effective program of this character can be worked out is regarded by underwriters as highly improbable for the average depositor they argue, in all like-lihood will place his money with institutions operating under the federal

safeguard as against the state bank seeking to travel alone.

Altogether, the banking situation is in a state of uncertainty. Underwriters are hedging closely in their consideration of depository bond risks, and will doubtless continue this attitude until banking regulations have been firmly established and their effects determined.

Assessment on Builders Mutual

MADISON, WIS., Sept. 13.—A 20 percent assessment on holders of compensation policies of the Builders Mutual Casualty of Madison for the years 1926-1931 inclusive, was ordered by Judge Zimmerman of circuit court at the request of Commissioner Mortensen. No assessments will be entered against liability policyholders. This amounts to 120 percent of a one-year premium. Claims of \$493,000 are outstanding, about \$400,000 being due to injured

workmen and \$93,000 to doctors and hospitals. The assessment on compen-sation policyholders will raise about \$400,000. The company has about \$50,000 in bonds and mortgages up as collateral for a \$30,000 note in a Madison bank, on which it is believed about \$20,-000 can be realized.

Changes in Newark Office

Several changes have been made in the setup of the Newark branch of the Consolidated Indemnity. F. E. Disch, who was once connected with the New-ark office of the Metropolitan Casualty, has been named special agent.

Albert Levitas has been transferred from the home office of the company to the Newark branch as underwriter in the automobile department. John Woike has been promoted to the agency devel-

opment department.

Fred Simpson, formerly with the Public Indemnity, has joined the agency development department, and John Porter has been transferred from Newark to the home office as assistant to the dep-uty comptroller. John Traviose, for-merly with the Jersey City office of the United States Fidelity & Guaranty, has joined the Newark office as accountant. George Paul has been made executive special agent.

Hospital Officials Oppose Taking Up Insurance Plans

MILWAUKEE, Sept. 13.-Hospitals should not set themselves up as insurance companies and recognition of the benefits to be derived by the public from the group hospitalization idea, commonly known as hospital insurance, should make it unnecessary for hospitals to wage any sales campaign in the interests of such hospitalization. This was the opinion expressed by Dr. His was the opinion expressed by Dr. Herman Smith, superintendent of the Michael Reese Hospital, Chicago, at the convention of the American Hospital Association here in a discussion of "The Benefits of Group Hospitalization, What Has Been Done, and How to Go About It." Hospitals, and Dr. Smith would prefer to see said Dr. Smith, would prefer to see group hospitalization realized through the efforts of lodge or employes' mu-tual benefit groups rather than through the hospitals themselves.

Need Doctors' Backing

It will be necessary to get the medical profession back of the group hospitalization idea if it is to be a success, according to A. M. Calvin, superintendent of the Midway and Mound Park hospitals, Minneapolis. The plan in his region, he explained, permits individual to the control of the Midway and Mound Park hospitals, Minneapolis. dividuals to pay from \$8 to \$13 a year and be assured of free hospitalization during the year. The fee depends on the occupation. Eight hospitals are members of the association giving this service and since Jan. 1 about 800 persons have subscribed. The plan is to help hospitals over dull seasons, each hos-

hospitals over dull seasons, each hospital being guaranteed \$5 a day for patients under the plan.

Increased use of insurance to pay hospital bills was predicted by Dr. George Stephens, superintendent of the Winnipeg general hospital. Self-sustaining insurance is better than charity, he said. Insurance, group or state, will in the future cover the great intermediate class of patients ranging from the indigent to those in comfortable circumstances.

Walsh Los Angeles Manager

E. J. Walsh has been appointed south-E. J. Walsh has been appointed southern California manager for the Massachusetts Bonding with headquarters in Los Angeles, following the resignation of O. F. Roberts, who has become a partner in the Kearns Agency, the other member being Jack Kearns, formerly manager for Jack Dempsey. Mr. Walsh's early training was with the American Surety at Rochester, N. Y. Later he was with the Canadian Surety as assistant manager in Canada. resignas assistant manager in Canada, resigning that post to become general manager in Canada for the New York Indemnity, later going with the Massachusetts Bonding at Cleveland.

Vice-President Letzkus Resigns

Edward G. Letzkus, vice-president in charge of accident and health under-writing for the New Amsterdam Cas-ualty, has resigned. He has been with that company since 1913. His previous connections were with the Fidelity & Deposit and Philadelphia Casualty.

Get Phoenix Indemnity in Oregon

The Metzger-Parker Company, Portland, Ore., has been appointed general agent for the Phoenix Indemnity in Oregon and will also represent Phoenix nix Assurance as local agent. New quarters have been opened in the Woodlark building.

First Fall Meeting Sept. 18

The Accident & Health Managers Club of Detroit will hold its first meeting of the fall season Sept. 18.

J. N. Neary has resigned as superintendent of claims for northern California of the Associated Indemnity.

A dependable Company, soundly operated, rendering efficient, nationwide service to Agents and policyholders.



BANKERS INDEMNITY INSURANCE COMPANY

Newark, New Jersey

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Customized Insurance and Bonding Protection

ÆTNA agents find the ÆTNA PLAN an ideal method of constructing insurance programs which fit.

Appreciated? Yes, indeed!

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Increase Your Auto Insurance Writings—

OUR LOW RATE SCHEDULE, CONVENIENT TERMS AND BROAD FORM POLICY WILL HELP YOU INCREASE YOUR AUTOMOBILE BUSINESS WHEN OTHER AGENTS ARE LOSING THEIRS.

> A POST CARD WILL BRING YOU THE FACTS AND FIGURES.

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Direct contracts available for conservative and successful agents in Illinois, Indiana, Iowa, Mississippi, Nebraska, Oklahoma, South Carolina, Tennessee and Texas.

Status of Rochester Office of United States Guarantee

President George H. Reaney of the United States Guarantee states that the forgery bond department of his company located in Rochester, N. Y., is a branch office of the United States Guarantee, wholly under the control of that company and not in any way controlled by the Todd company or any of its subsidiaries. All employes in that office are direct employes of the United States Guarantee and the Rochester office acts as the clearing branch for forgery bond business written throughout the United States by the U. S. Guarantee.

Mr. Reaney makes this statement in view of a recent reference to the Rochester office as being controlled by the Todd check protector machine interests.

Announce Plans for Session of Advertising Conference

(CONTINUED FROM PAGE 4)

committee; F. J. Price, Jr., Prudential,

committee; F. J. Price, Jr., Prudential, constitution committee.

At the first afternoon session, with Mr. Putnam presiding, a number of addresses will be given, followed by general discussion. At 5 o'clock the second business session will be called by President Withe to adopt a new constitution and to elect officers for the coming year. The session will be followed by an informal dinner.

The speaking program will be resumed Tuesday morning, each address being followed by an open forum discussion. At noon each group will meet as a unit for a buffet luncheon, following which there will be round table discussions by each group on subjects of especial interest to that group.

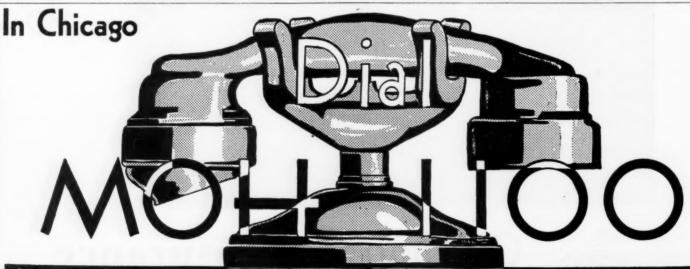
J. E. D. Benedict, Metropolitan Life, will preside over the life group and C.

Company Held Liable in an Automobile Decision

The Tennessee supreme court in J. T. Hinton & Son vs. American Automobile decides a case where the company refused to defend action for damages.

There was an appeal from a decree of
the chancellor who dismissed the bill
to recover \$750 expenses incurred in defending an action. Hinton sent an ambulance covered by the policy to reambulance covered by the policy to re-move a woman to a hospital. After going a short distance the motor stopped running. Unable to start it an-other ambulance was procured and the woman was taken to the hospital after 30 minutes delay. Hinton & Son were charged with negligence and it was insisted that the death was caused by insisted that the death was caused by a wrongful act of the ambulance firm. Hinton & Son notified the American Automobile and it refused to defend the suit. They employed counsel who the suit. They employed counsel who procured a dismissal of the action for damages. The Tennessee supreme court said that the fact that the complaint was a groundless action did not release was a groundless action du not release the company because it agreed and was obligated by expressed provisions of the policy to defend such action, whether groundless or not. The lower court's decision was reversed.

A. Palmer of the North America, vice-A. Palmer of the North America, vice president of the conference, over the fire and casualty group. Group business and reports of group chairmen will be brought up at this time. The meeting of the new executive committee at 4:30 p. m. will conclude the official program.



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AMERICAN GLASS COMPANY

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Some Observations Made in Regard to A. F. Dean

(CONTINUED FROM PAGE 8)

ess. Therefore he was decidedly opinionated and firm in his convictions. He did not have much patience with a contrary opinion or conclusion that he felt was not logically evolved. In the finest sense Mr. Dean was an egotist in that he felt he had the capacity and power to follow a thought through to its conclusion until the truth was obtained. He could not be moved from his position.

"Mr. Dean chewed tobacco ever since he was a boy. We always remember him when he became especially animated and absorbed in conversation he would pull out his plug of tobacco and cut off a chew with his knife. This evidently was about the only physical outlet he had for his nervous energy.

Familiarity Was Lacking

"There are some people, only a few, who are seldom if ever called by their first name, their first two initials or a nickname by even their intimates. Such was the case with Mr. Dean. I never heard him called by his first name or by his initials. He had no nickname and he had no honorary title. He was therefore 'Dean' or 'Mr. Dean.' Familiarity of this nature did not belong to Mr. Dean. Another old-time manager, whose first name or initials were never attached to him in addressing him was I. S. Blackwelder, manager of the Niagara Fire.

ager, whose first name or initials were never attached to him in addressing him was I. S. Blackwelder, manager of the Niagara Fire.

"If you will inquire of your chief editor I am sure he will recall the time in the golden '90's when C. I. Hitchcock, insurance editor of the Chicago 'Record Herald' and C. M. Cartwright of the Chicago 'Inter-Ocean' engaged in a contest to ascertain Mr. Dean's middle name. After diligent search one of them accidentally discovered it and both played it up in a witty way in their columns one morning. It was 'Flandreau,' and no one was ever able to divine its significance.

When Dean Was at His Height

"I should say that Mr. Dean rose to his greatest height during the later years when he was assistant manager under Major Harding. Mr. Dean really needed a strong guide in any executive or administrative work. As your editor pointed out in his observations, he could not be called an eminent underwriter or a successful executive. Major Harding gave him plenty of rope, granted him an abundance of time for study and meditation and with a manager as his guide, philosopher and friend Mr. Dean was in his element

"As was pointed out in your observations, Mr. Dean was not a pugnacious
man. At the same time he was a person of strong likes and dislikes. Sometimes he was unduly prejudiced. He
either took a fancy to a man and enjoyed him or he did not. When he
did take a very strong dislike to anyone he made it known in rather forceful terms. Mr. Dean was adamantine
when he reached a conclusion and he
could seldom be swerved from it.
Sometimes in dealing with things practical his judgment was not correct. He
felt it was, however, and would stand
by it to the end."

Companies Fight Proposed Tax on Assets in N. Y. City

(CONTINUED FROM PAGE 4)

located here," Mr. Doyle said. "Under the retaliatory laws when the tax in one state is increased upon the companies of another state, automatically the New York companies doing business in such other state or states have their taxes increased in like manner and extent. It should not be hard to visualize the effect upon New York companies when a like tax to this is applied to them in every other state in the union, which aside

from being tremendously burdensome would operate to their distinct disadvantage inasmuch as companies of other states would not have such a tax applied.

"New York State has always been a leader in legislation affecting insurance companies and other states are very prone to follow its example. If, as we may expect, such a plan would be adopted generally throughout the United States its ultimate effect would be to destroy the industry.

stroy the industry.

"Stock fire insurance companies find this peculiarity in the act. It is made comprehensive and covers all activities of the industries made subject to its provisions, but it is limited in the case of insurance companies, other than life, to companies as defined in Article III of the insurance law. Article III is limited to stock fire insurance companies and the relatively few incorporated mutual companies. It does not apply to other than incorporated mutuals nor to reciprocals, inter-insurers, cooperatives and Lloyds, all of which are recognized under articles other than Article III of the insurance law. Yet these same companies transact an identical business with the companies made subject to the

tax."

The measure has been passed by the

board of estimate and is scheduled for action by the board of aldermen Thursday. It is expected it will be signed by the mayor after a hearing Sept. 21.

Because of the virtual certainty that the tax program will go through despite the bitter protests that it has aroused, it is understood insurance officials are already considering how the tax may best be defeated by an appeal to the courts. There are a number of features which are open to serious question, such as the taxing of assets which are tax-exempt under the law, for example government, state and municipal bonds; also whether the state in passing the enabling act which permits the imposition of proposed taxes made it broad enough to include levies of the type the city is trying to make. Then there is the question of the invasion of constitutional rights.

While sponsors of the tax may contend that because the city and not the state is levying the taxes the retaliatory taxes of other states would not go into effect, it is pointed out, that since the state authorized the city to impose it, it would be regarded by other states as a New York state tax.

Just how much would be collected from the companies doing business here is difficult to estimate. Sponsors of the offers of \$14,556.55 made.

tax, however, indicated they contemplated raising \$6,400,000 from insurance companies and savings banks representatives have estimated that they would have to pay about half of this amount, leaving \$3,200,000 to be extracted from insurance companies. While figures have not been compiled as yet, there is reason to believe, however, that the tax on life companies alone would exceed this amount.

Federal Surety Claims

DAVENPORT, IA., Sept. 13.—Only a third of the claims filed in the receivership of the Federal Surety have been dealt with thus far, report of E. W. Clark, Iowa commissioner, filed in the Scott county district court reveals. Nearly 4,000 claims are yet to be reviewed and these include all the priority claims. To facilitate work of the receiver the claims are being handled in groups rather than in a single report and the receiver's second report represents a total of 2,170 claims. Judge Maines has entered order approving these claims, subject to objections, which must be filed by Oct. 2. To date a total of \$351,295.21 general claims has been alowed, \$521,274.92 rejected and offers of \$14556.55 made.



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WORKMEN'S COMPENSATION

Approve New Alabama Rates

Greer Says Net Result of New Scale Will Be Decrease in Total

MONTGOMERY, Sept. 13.—The proposal of the National Council on Compensation Insurance for an over-all average increase of 3.2 percent in compensation rates in Alabama has been approved by the Alabama insurance department effective about the middle of October.

While theoretically an increase has been granted, Superintendent Greer is of the opinion that the net result will be a decrease of rates, considering all premium paying industries and businesses. There will be a 1 percent decrease in rates for the manufacturing industries which pay slightly more than 50 percent of the total compensation premiums in Alabama; exclusive of the contracting business, all other businesses, which pay slightly more than 30 percent of the total Alabama premiums, will be given a decrease of 1.4 percent in rates; an increase of 22 percent is granted for contracting businesses whose premiums in 1930 and 1931 comprised about 18 percent of all Alabama premiums but which Mr. Greer now believes will comprise less than 10 percent of the total.

Greer now believes will comprise less than 10 percent of the total.

Mr. Greer thought for some time that he would withhold action on the proposal until early next year to await the outcome of the NRA movement, but a careful study led him to the conclusion that earlier action should be taken.

Difficulty on Welfare Cover

LANSING, MICH., Sept. 13.—In addition to losing some business through cancellation of existing contracts it appears that some of the companies may have difficulty collecting premiums on compensation policies, issued to cities covering welfare labor, as a result of the recent supreme court opinion to the effect that dole list employes do not come within scope of the compensation law.

Muskegon Heights is contesting payment of a \$2,700 premium on such a policy although it has been in force for some time and a \$1,000 down payment was made when the contract was signed.

Quite a few cities had protected themselves against possible liability from this source by taking out insurance. All of these contracts, of course, will be canceled but there is still some question as to whether payments started under the policies should be continued. The department of labor and industry has not ruled on this point as yet.

Hearing on Minnesota Rates

ST. PAUL, Sept. 13.—At a two hour hearing Monday before the Minnesota compensation insurance board, the companies presented their case for a 26 percent average increase in compensation rates in Minnesota. The hearing was attended by company representatives and employers, many of whom voiced opposition to certain increases asked.

The board expects to decide the matter by Sept. 15 so that the revised rates can be put into effect by Oct. 1.

Oklahoma State Fund Report

OKLAHOMA CITY, Sept. 13.—Between \$85,000 and \$90,000 in workmen's compensation was written by the state fund in its first month, Manager Chester Napps reports. This amount represents more than 100 policies already in effect in various parts of Oklahoma.

Take Issue With Mortensen

Executives Cite Fallacy of Argument of Wisconsin Commissioner on NRA Code and Compensation Rates

Executives are much distressed at the action of Commissioner Mortensen of Wisconsin in holding up compensation rate increase in that state until an opportunity has been given to determine whether premium income will not increase because of wage increases under the NRA code.

the NRA code.

Insurance people point out that the demand for rate increase is based on the experience, not of years when the wage level was at its lowest, but for years when wages were high. That is, the experience for policy years 1929 and 1930 is just coming to full development now and in those years wages were good. Yet, in those same years, the compensation experience was disastrous. The experience for policy years 1931 and 1932 was even more disastrous, but that experience has not yet been developed.

Therefore executives point out that even should wages be increased to the 1930 or 1929 levels under the code, the compensation experience should prove no better than in the years 1929 and 1930 when heavy losses were suffered.

Report More Women Claimants

MADISON, WIS., Sept. 13.—Compensation claims presented by women constitute an increasing proportion of the total of all compensation claims closed in Wisconsin, the state industrial commission reports.

Of the cases closed in 1928, 3.5 percent were presented by women; in 1929, 4 percent, and in 1932, 5.6 percent.

Accident-Health Field News

North American's Convention

Leading Producers of Chicago Company to Attend "World Fair" Session in That City Sept. 16

The North American Accident will hold its "world fair convention" at the Knickerbocker hotel in Chicago, Sept. 16, with leading producers from all sections of the country in attendance. The morning will be devoted to a visit to the home office, where the heads of various departments will explain the work of their departments and answer questions.

The convention sessions will start with a luncheon at 12:30 p. m., after which George F. Manzelmann, vice-president and agency director, will conduct a round table discussion of agency, underwriting and claim problems. This will be an open session, at which any question that is puzzling any of those attending can be brought up and thoroughly discussed. An informal dinner dance will be held at 7:30 p. m.

At least 80 agents and general agents will be in attendance, many of them accompanied by their wives. There will be about 250 at the dinner, which will also take in all of the home office employes.

Insurance Group Promoting Commercial Travelers Day

The International Federation of Commercial Travelers Insurance Organizations, which holds its annual meeting in Chicago Sept. 19-21, is pro-

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moting a Commercial Travelers Day at the Century of Progress exposition Sept. 21. H. E. Trevvett of the Commercial Travelers Mutual Accident, Utica, N. Y., president of the federation, and J. S. Whittemore of the Commercial Travelers Eastern Accident, Boston, its secretary, have arranged for a special program in the amphitheater east of the Travel and Transport building from 2:30 to 4 p. m. that day.

The speakers will include Governor J. B. Ely of Massachusetts, Robert M. Sweitzer, county clerk of Cook county, Chicago; H. W. Siddall, chairman Trans-Continental Passenger Association, Chicago; Earl C. Mills, attorney, Des Moines; James H. Stone, manager National Shoe Retailers, Chicago, and Glen B. Eastburn, commissioner Omaha

Glen B. Eastburn, commissioner Omaha chamber of commerce.

Probe Unlicensed Carrier

LANSING, MICH., Sept. 13.—Complaints are reaching the Michigan department of activities in this state of the American Aid Association of South Bend, Ind. Although unlicensed here and denying that its operations subject it to departmental supervision, the

organization issues contracts providing organization issues contracts providing for health and accident and death benefits. A membership fee is charged with assessments of "not more than \$1 monthly" to meet losses. The department has learned that a general agent has been named at Tawas City, who is actively organizing the upper part of the lower peninsula.

Insurance for Football Teams

THE NATIONAL UNDERWRITER has received a number of inquiries from agents as to whether there is any accident company that will write accident insurance on college or high school football teams, especially giving medical reimbursement indemnity. So far as it can be found there is no company in the field that is writing this class.

Industrial Conference Change

The annual meeting of the Industrial Insurers Conference, originally set for Oct. 11-13, will be held Oct. 16-18 at French Lick Springs, Ind. The change in date was made to avoid a conflict with the American Life Convention, which meets in Chicago Oct. 11-13.

CASUALTY PERSONALS

Hugh D. Combs, vice-president of the United States Fidelity & Guaranty in charge of claims, accompanied by Leon Biser, is visiting many of the offices of his company in the middle west and mountain field. Among the cities which he is visiting are Chicago, Milwaukee, Minneapolis, Des Moines, Omaha and Denver. Omaha and Denver.

J. A. ("Red") Dunn, who is with the Travelers in Milwaukee, has been named backfield coach at Marquette University of Milwaukee for the coming season. Dunn was Marquette's 1923 all-American quarterback and all-around athlete during his university days, later playing professional football with the Green Bay Packers, Chicago Cardinals and other teams. Last season he was freshman football coach at Marquette. He has been with the Travelers for several years.

Mrs. B. W. Bohannon, wife of the assistant superintendent of the motor car underwriter division of the Central Surety of Kansas City, and her 5-year-old son were critically injured in a head-on motor car collision near St. Joseph, Mo.

Floyd W. Ramey, in charge of conservation for the Aetna Casualty & Surety, Kansas City, Mo., and Miss Annabel Courtney of the same office will be married Sept. 16.

J. Q. Thompson, 80, organizer and former president of the American Health & Accident of Des Moines, died Friday at his home near Vista, Cal. The company was absorbed a number of years ago by the Bankers Accident.

Clarence S. Parker, for many years resident manager at Dallas, Tex., for the National Surety, has organized a secret order known as the United States Activities, incorporated under Texas charter, whose aim will be to aid the government in enforcing the National Recovery Act. Mr. Parker retired from business a few months ago.

C. H. Holland, former president of the Independence Indemnity, who is now residing in New York, has moved his office to 381 Fifth avenue in that city.

J. W. Carroll, chief accident and health adjuster in the Chicago branch of the Aetna Life and affiliated companies, died of a streptococcic infection after only a few days' illness. He had been with the office more than 20 years, starting under I. W. Brodt, chief ad-

An intensive sales campaign is being inaugurated by Michigan representatives of the Aetna Life and affiliated companies in honor of John F. Horton, Detroit, state manager, who is completing 30 years with the company Oct. 19. Mr. Horton has been in Detroit as state manager for several years and before that was in charge of the Grand Rapids and Lansing offices. Because of his old Lansing connections the drive honoring his 30th anniversary of service was conceived by members of the Dyer-Jenison-Barry Agency there. Zelin Goodell of that agency has directed most of the plans and is arranging, with the assistance of committees from all parts of the state, for a testimonial dinner at a Windsor, Ont., hotel.

Home office officials who will attend include R. I. Catlin, vice-president; C. W. Hallowell, secretary and a forner manager of the Lansing branch, and Edward Knapp, assistant secretary. Several department officials will also attend.

Insurance Faker Caught

Investigation prompted by the Council Bluffs, Ia., Insurance Agents Association resulted in the arrest of C. S. Thompson, who solicited liability insur-Thompson, who solicited liability insurance covering beauty parlors and physicians in that city. The Council Bluffs agents learned of his activities and investigation disclosed that Thompson was agent, president and company, which he called the United Protective Bureau of Springfield, Mo.

Thompson was taken to Springfield, the sheriff of that place stating that he was wanted for embezzlement, obtaining money under false pretenses and violating the insurance laws.

Missouri State Policies

Accident and health policyholders of the defunct Missouri State Life, if they desire to cancel, must suffer the short rate penalty, instead of getting a return on the pro rata basis, as is ordinarily given under a receivership. The acci-dent and health business of the Missouri State is being assumed by the newly or-ganized General American Life.



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Claim Men Meet at Atlantic City

(CONTINUED FROM PAGE 23)

the feeling of suspicion and animosity against insurance companies, said Mr. Hickey. The attitude of the people towards insurance companies is a state of mind and the conduct of the company's representatives in the field is a power-ful factor in creating that condition. A large proportion of this adverse senti-ment towards insurance companies is traceable to wrongful tactics and ignor-ance on the part of agents and other ance on the part of agents and or representatives, including adjusters.

Ignorant Agent Makes Blunder

The agent who lacks knowledge of the article he is selling is apt to make many blunders which lead the company many blunders which lead the company into difficulties that are far reaching in their effect. Basically the company possesses knowledge of the business it conducts and a keen sense of responsibility to the public. An agent who is deplorably lacking in knowledge and loyalty to his company and the public, does not truly represent the company at all, and no good can be derived from letting him pose as a representative.

The same is true of an investigator.

He must know something about the business or he will have no appreciation business or he will have no appreciation of what he is trying to accomplish. If he starts out with the conviction that every claim is invalid and approaches his informants with declarations to that effect, or if he is the kind of individual who irritates everybody he comes in contact with and excites suspicion or controversy everywhere he goes, he will every day accomplish some harm to the business he serves. He should be given some other kind of work to do. The same is true with the adjuster who approaches his job with the conviction that somewhere in every claim there must be found an excuse for reducing or rejecting it.

Urges Educational Campaign

Mr. Hickey concluded that some of the causes of troublesome claims might be eliminated to some extent by a campaign of education among the agents and the application of severe penalties against disloyalty to either the company or the public.

An interesting program of entertainment was reported by the chairman of the entertainment committee, W. A. Dennis, chief claim adjuster of the Prudential

Rollin M. Clark, deputy New York insurance superintendent, read a paper on causes of complaint to the insur-ance department, followed by a lively

Over 200 delegates are in attendance at the convention. In accordance with the custom of the association the chairman of the executive committee, L. D. Erion, manager claim department of the Travelers Health Association, presented to President Hickey a handsome silver mounted gavel.

Finances in Good Condition

F. L. Templeman, manager accident and health department of the Maryland Casualty, as association treasurer, re-Casualty, as association treasurer, reported a satisfactory gain in assets.

Mayor Harry Bacharach of Atlantic
City welcomed the association.

Mr. Erion, as chairman of the executive committee, said the committee ear-nestly recommended close cooperation and team work among claim men, as only in this manner can the assets of the companies in which all policyholders

AGENCY EXECUTIVE, experience includes underwriting, office management, direct sales, sub-agency supervision, desires connection with agency as partner or manager or in agency department of company. Address X84, The National Underwriter. have an interest be protected against

depletion.

Nine fundamentals in the handling of claims were outlined by J. C. Smith, Greensboro, N. C., attorney. The claim department of every insur-

ance company should be manned by the best talent available, said Mr. Smith. The claim department head should have a legal training. Prompt, intelligent, persistent effort should be exerted to analyze, investigate and dispose of every

If claims cannot be disposed of immediately, every effort should be used to eliminate the possible difficulties so the case may be delivered to the trial attorney in the best condition possible. Cooperation between the claim, medical Cooperation between the claim, medical and legal departments is essential. Only experienced and capable attorneys should be selected to handle litigation. The case must be carefully prepared for trial. At least one home office official should attend trials of any consequence. The home office counsel should contact the local counsel and in unusual or important cases the home office counsel. portant cases the home office counsel should be present at the trial.

Procrastination Breeds Difficulties

Stressing the desirability of prompt Stressing the desirability of prompt handling of claims and disposition of claims, Mr. Smith said that slow settlements breed legal difficulties. Procrastination creates conditions rendering favorable results to the company impossible. "If a case is intelligently and possible. If a case is intelligently analyzed, an investigation intelligently directed while facts are fresh in the minds of witnesses, and complete autopsies made by capable physicians while bodies are available, the probabilities are that a clear record will be built up establishing the facts as they or reality exist. If this is not done a wide gap is left open for facts to be distorted, the truth concealed and frequently unsurmountable legal difficulties created."

Secretary Graham's Report

The Tuesday session started with the reading of the report of Secretary Louis L. Graham, chief adjuster Business Men's Assurance of Kansas City. He said that while the past year had been a trouble-some one for all claim men, the cooperation of the members and fellow workers had been most loyal and cordial. Most of the 18 resignations which occurred during the past year were from com-panies that reinsured. One new member was added. At present there are 153 member companies in the associ-

ation.

Four members have died since the last convention. These were David N. Case, chief adjuster Travelers; E. G. Robinson, secretary-treasurer National Robinson, secretary-treasurer National Masonic Provident of Mansfield, O.; Ira Libby, secretary Commercial Travelers Eastern Accident, Boston, and John W. Carroll, chief adjuster Aetna Life, Chicago.

Silver Anniversary Next Year

Mr. Graham stated that next year will be the 25th anniversary of the association and should therefore be the ban-ner year. The membership should be increased to at least 200. E. D. Millea, assistant chief of the

claim department, Equitable Life of New York, reported as chairman of the press committee. He said that the proper degree of publicity had never been given the activities of the association and that the claim man had allowed some other departments to stress their importance, while he went on vainly trying to correct underwriting mistakes. The com-mittee therefore contacted the various insurance magazines which were en-tirely willing to print any news items given them.

Dr. Frank S. Rossiter, Carnegie Steel Company of Pittsburgh, spoke on trou-blesome claims from carbon monoxide.

The annual banquet was held Tuesday

Sales talks for various Accident and Health Policies and persons are in the X-Sellerator. Price \$2.50. Order through The National Underwriter.

Tries to Board Moving Train: Not a Passenger

A person killed in attempting to board a moving train is not entitled to recover a moving train is not entitled to recover under the clause of a policy which provides double indemnity if accidental death occurs while the insured is a passenger in or on a public conveyance, including platform, steps, or running board. This was the decision of the United States circuit court of appeals for the 9th circuit (Cal.) in the United States Fidelity & Guaranty vs. Aschenbrenner. The insured jumped on the lower step of a car while it was moving but soon lost his grip and fell between the platform and track and was crushed. The contract of carriage, the court

The contract of carriage, the court held, arises through an offer or invitation, express or implied, and an acceptance, express or implied. When the train commences to move, an implied invitation to the general public to avail itself of the transportation facilities by boarding the train is withdrawn, for it may no longer with physical safety be accepted. The insured's attempt to board the train and his fall were parts of the same operation—an operation by which the insured unsuccessfully attempted to attain the status of passenger.

Code of National Agents Association Is Approved

(CONTINUED FROM PAGE 5)

will be submitted for the approval of the President to prevent unfair competi-tive practices and to effectuate the other purposes and policies of the national in-

The following paragraph has been substituted in the agents' code for paragraph 2 of the blanket agreement: "Emploves other than outside representative consisting of adjusters, appraisers, collectors, investigators, inspectors, service engineers, special agents, solicitors, raters and patrol or salvage corps operators cooperating with municipal fire de-partments shall not be employed more than 40 hours per week nor more than eight hours per day. Excepted classes shall not total more than 25 percent of all employes in each establishment. Hour restrictions shall not apply in cases of conflagrations or disasters.

where necessary services will be im-Provide for Supplemental Filing

peded

section providing for supplemental filing is significant. There is a large portion of the National association including past President Percy H. Goodwin, that desires a filing on the part of the agents to cover all sorts of competitive practices. Whether such a supplemental filing shall be made will probably be determined at the Chicago meeting of the National Association of Insurance Agents. An executive session has been scheduled for discussion of this greetier. this question.

Separate codes have been filed, one by the National Association of Mutual Insurance Companies, another jointly by the Federation of Mutual Fire Insurance Companies, National Association of Automotive Mutual Insurance Companies National Association of Mutual Casualty Companies, a third by the American Institute of Marine Under-writers and a fourth by the Association

of Casualty & Surety Executives.
All of these codes contain the statement: "The operation of the business of insurance is rigidly controlled by the laws of the several states which are not rescinded or set aside by the national industrial recovery act. Nothing herein shall obligate the companies, members of the association, to any action, agreement or understanding prohibited by the laws of any of the states." These codes all contain the wage and hour provisions that are found in the National Board

Carbon Monoxide Claims Difficult

(CONTINUED FROM PAGE 25)

or other nervous disorders and are most liable to occur in those of advanced years, or in those having arterio-selerosis. However, the number of cases in which there is a degeneration even in the brain is small compared with the number of cases that are severely as-phyxiated. If a troublesome claim develops in this group it must be borne in mind that although rare, after effects may be found if the patient has been may be found if the patient has been severely gassed and unconscious for a long period of time. It must also be remembered that any pre-existing brain condition may be aggravated by severe

gassing.
In cases of severe gassing followed by doubtful after-effects, much trouble arises as all types of diseases have been attributed to gassing and many awards, particularly by compensation boards, have been ridiculous. Pneumonia as an after effect is often mentioned, but this condition is rare. Tuberculosis is not condition is rare. Tuberculosis is not so often attributed to gassing directly but it is claimed that the irritation from the inhaled gas opens inroad for the in-fection of the lungs, or that a pre-existcondition is aggravated. has been mentioned as a rare after eifect of carbon monoxide gassing, but Dr. Rossiter is of the opinion it is due unburned gasoline fumes, etc. Heart conditions as a sequel to carbon monoxide gassing are frequently mentioned but they are extremely rare. They are not due to any poisonous action of the gas where the heart is in contact with the blood, but due to the anoxemia created in the heart muscle itself.

Troublesome claims arise which are attributed to mild gassing. The saturation of the blood with the gas must necessarily be high in order to create an oxygen-want in the tissues sufficient to cause a degeneration and unconsciousness is produced long before that point is reached. It is evident that in mild gassing where the victim has remained conscious that there is no damage and therefore no after-effects. This fact has been proven by innumerable experiments

Lay Testimony Preferred to Medical for Compensation

LANSING, MICH., Sept. 13.—Lay testimony to the effect that an injured artisan can not resume his skilled trade. despite lack of medical testimony to show the continued existence of an injury, may be accepted as the basis of the continuance of workmen's compensation, according to the Michigan supreme court's ruling in Pete Johnson vs. Joel Pearson and the Builders & Manufacturers Mutual Casualty. While working as a brick layer Johnson fell, suffered rib fractures and was disabled. Johnson appealed an order to stop compensation awards after five months on the ground that he could no longer handle the bricks and had lost his old skill. There was no medical testimony to show that the injury was not healed, but fellow workmen testified that Johnson could not resume his trade and a brother-inlaw testified he was ready to supply Johnson with work whenever he was able to take it.

The court pointed out the wide disparity between Johnson's earnings of \$12 a day and the \$18 a week compensation benefit, indicating that he would certainly resume his trade if able. The test timony of the layman indicated that the timony of the layman indicated that in-medical diagnosis was not sufficiently far-reaching to indicate continuance of the effect of the injuries. The compen-sation board was held justified in ordering resumption of payments as the court can not disturb a finding of fact backed

by competent evidence.

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What hazards of occupancy can often be eliminated?

What is the "bridging the gap" clause?

If the undamaged part of the contents of a burned building is removed to another place, is it still covered by insurance?

Is expense of boarding up broken windows usually paid for as a direct fire loss?

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What is the difference between a blanket form and a general cover contract?

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